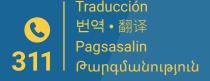
Notice of **Public Hearing**

Aviso de Audiencia Pública ・ 공청회통지 Abiso ng Pagdinig sa Publiko ・ 公開聽證會通知 Հանրային լսումների մասին ծանուցագիր





This meeting may be available virtually, in a hybrid format. Please check the meeting agenda approximately 72 hours before the meeting for additional information.

Please see https://planning.lacity.org/about/commissions-boards-hearings for the meeting agenda.

Project Address

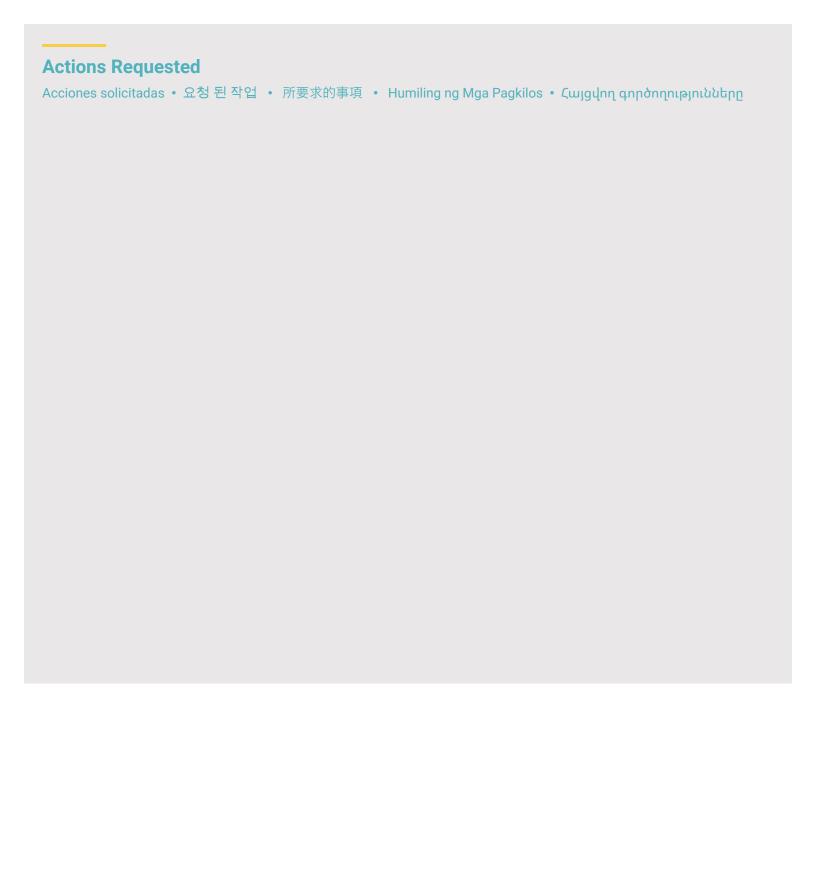
Sitio de Proyecto 프로젝트 주소 • 項目地址 Address ng Proyekto ծրագրի Հասցե

Proposed Project

Proyecto Propuesto 프로젝트 제안 • 擬議項目 Iminungkahing Proyekto Առաջարկվող ծրագիր 2126 West Adams Boulevard and 2125 West 26th Place, Los Angeles CA, 90018

Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14inCase No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Zoning Administrator may impose corrective conditions or modify existing conditions.

Aprobación del Plan para revisar el cumplimiento y la efectividad de las condiciones impuestas en el Caso No. ZA-1959-15227(O)(PA4) para el Sitio de Perforación de Petróleo nombrado "Murphy" de3.2 acres existente. No hay una propuesta de expansión del uso de la extracción de petróleo. Esta revisión está autorizada por la Sección 13.01 del Código Municipal de Los Ángeles (LAMC por sus siglas en inglés) y la Condición No. 14en el Caso No. ZA-1959-15227(O)(PA4) y se llevará acabo de conformidad con la Sección 12.24-M del LAMC.



Case Information

Información del caso ・ 케이스 정보 ・ 案例資訊 ・ Impormasyon sa Kaso ・ Տեղեկություններ գործի վերաբերյալ

Case Number(s):	Environmental Case Number(s):			
Related Case Number(s):	Overlay(s):			
Zone:	Community Plan Area:			
Land Use Designation:				
Council District:	Assigned Staff Contact Information:			
Applicant:	Appellant:			
Applicant Representative:	Appellant Representative:			

Who's Receiving This Notice

Quién recibe este aviso • 본통지를받은사람들 • 誰會收到此通知 Sino ang Tumatanggap ng Paunawang Ito • Սույն ծանուցագիրը ստացող կողմը

You are receiving this notice either because you live on or own property that is on a site within 1500 feet of where a project application has been filed with the Department of City Planning, or because you requested to be added to the interested parties list. You are invited to attend this hearing to learn more about the proposed project and offer feedback. If unable to attend, you may contact the planner to provide written comment, obtain additional information, and/or review the project file.

General Information - Visit our website at planning4la.org/hearings for general information about public hearings and the exhaustion of administrative remedies.

File Review - The complete file will be available for public inspection by appointment only. Please email the staff identified on the front page, at least three (3) days in advance, to arrange for an appointment. Files are not available for review the day of or day before the hearing.

Agendas And Reports - Commission Agendas are accessible online at planning.lacity.org, by selecting "Commissions & Hearings", the specific Area or City Planning Commission and "Agendas". Appeal Recommendation Reports are available on-line seven (7) days prior to the Commission meeting and are hyperlinked to the case numbers on the agenda. **Please note that Appeal Recommendation Reports are not prepared for appeals related to Zoning Administrator decisions.**

Be advised that the Commission may RECONSIDER and alter its action taken on items listed on the meeting agenda at any time during this meeting or during the next regular meeting, in accordance with the Commission Policies and Procedures and provided that the Commission retains jurisdiction over the case. If a Commission meeting is cancelled or adjourned due to lack of quorum, all remaining agenda items shall be continued to the next regular meeting or beyond, as long as the continuance is within the legal time limits of the case or cases.

Testimony And Correspondence - Your attendance is optional; oral testimony can only be given at the Commission meeting and may be limited due to time constraints. Written testimony or evidentiary documentation may be submitted prior to, or at the meeting in accordance to the Commission's submittal requirements. Commissions function in a quasi-judicial capacity and therefore, cannot be contacted directly. Any materials submitted to the Commission become City property and will not be returned. This includes any correspondence or exhibits used as part of your testimony.

Requirements For Submission Of Materials - Written materials may be submitted prior to or at the meeting in accordance with the submittal requirements below. The case number must be written on all communications, plans and exhibits.

- Regular Submissions Written materials not limited as to volume must be received by the Commission Executive Assistant no later than by end of business day Monday of the week prior to the week of the Commission meeting. Materials must be delivered electronically to the staff and commission email identified on the front of this page.
- Secondary Submissions All written materials in response to an Appeal Recommendation Report and/or additional comments must be submitted no later than 48 hours before to the Commission meeting (for Central, South LA and Harbor APCs, materials must be received no later than by 3:00 p.m., Thursday of the week prior to the Commission Meeting). Submissions, including exhibits, shall not exceed ten (10) pages and must be submitted electronically to the Commission identified on the front of this notice.
- **Day of Hearing Submissions** Submissions less than 48 hours prior to, and including the day of the Commission meeting, must not exceed two (2) written pages, including exhibits. Photographs do not count toward the page limitation. These must be submitted electronically to the Commission email identified on the front of this page.
- Non-Complying Submissions Submissions that do not comply with these rules will be stamped "File Copy. Non-complying Submission". Non-complying submissions will be placed into the official case file, but they will not be delivered to, or considered by the Commission. The Commission Rules and Operating Procedures are available online at planning.lacity.org by selecting "Commissions & Hearings" and selecting the specific Commission.

Exhaustion Of Administrative Remedies And Judicial Review - If you challenge these agenda items in court, you may be limited to raising only those issues you or someone else raised at the public hearing agenized here, or in written correspondence on these matters delivered to this agency at or prior to the public hearing. 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.

MASTER APPEAL FORM

WITH ATTACHMENTS



APPLICATIONS:

APPEAL APPLICATION

Instructions and Checklist

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

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

۹.	APPELLATE BODY/CASE INF	ORMATION			
1.	APPELLATE BODY	PELLATE BODY			
	☑ Area Planning Commission☑ Zoning Administrator	☐ City Planning Co	ommission	☐ City Council	☐ Director of Planning
Regarding Case Number: ZA-1959-15227-O-PA6					
Project Address: 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA					
	Final Date to Appeal: 03/15/2023				
2.	APPELLANT				
	Appellant Identity: (check all that apply)	RepresentativApplicant	e	☐ Property Own☑ Operator of the	
☐ Person, other than the Applicant, Owner or Operator claiming to be aggrieved ☐ Person affected by the determination made by the Department of Building and Safety					i
					nd Safety
	☐ Representative☐ Applicant	OwnerOperator		☐ Aggrieved Pa	arty
3.	APPELLANT INFORMATION				
	Appellant's Name: Nicki Carls	en			
	Company/Organization: Alston & Bird LLP on behalf of E & B Natural Resources Management Corporation Mailing Address: 333 South Hope Street, 16th Floor				
	City: Los Angeles	State: C	alifornia		Zip: <u>90071</u>
	Telephone: (213) 576-1128	[E-mail: nick	i.carlsen@alston.co	om
	a. Is the appeal being filed on☐ Self☑ Other: E	your behalf or on beh		er party, organizatio	n or company?

b. Is the appeal being filed to support the original applicant's position?

☐ No

✓ Yes

4.	4. REPRESENTATIVE/AGENT INFORMATION				
	Representative/Agent name (if applicable): Nicki Carlsen				
	Company: Alston & Bird LLP				
	Mailing Address: 333 South Hope Street, 16th Floor				
	City: Los Angeles State: California . Zip: 90071				
	Telephone: (213) 576-1128 E-mail: nicki.carlsen@alston.com				
5.	JUSTIFICATION/REASON FOR APPEAL				
	a. Is the entire decision, or only parts of it being appealed? ☐ Entire ☑ Part				
	b. Are specific conditions of approval being appealed? ☐ Yes ☐ No				
	If Yes, list the condition number(s) here: 5, 7, 16, 17, 19, 21-28, 32, 33				
	Attach a separate sheet providing your reasons for the appeal. Your reason must state:				
	The reason for the appeal How you are aggrieved by the decision				
	☑ Specifically the points at issue ☑ Why you believe the decision-maker erred or abused their discretion				
6. APPLICANT'S AFFIDAVIT I certify that the statements contained in this application are complete and true: Appellant Signature: Date: March 13, 2023					
	GENERAL APPEAL FILING REQUIREMENTS				
B.	ALL CASES REQUIRE THE FOLLOWING ITEMS - SEE THE ADDITIONAL INSTRUCTIONS FOR SPECIFIC CASE TYPES				
	1. Appeal Documents				
	a. Three (3) sets - The following documents are required for <u>each</u> appeal filed (1 original and 2 duplicates) Each case being appealed is required to provide three (3) sets of the listed documents.				
	 ☑ Appeal Application (form CP-7769) ☑ Justification/Reason for Appeal ☑ Copies of Original Determination Letter 				
	 b. Electronic Copy Provide an electronic copy of your appeal documents on a flash drive (planning staff will upload materia during filing and return the flash drive to you) or a CD (which will remain in the file). The following items must be saved as individual PDFs and labeled accordingly (e.g. "Appeal Form.pdf", "Justification/Reason Statement.pdf", or "Original Determination Letter.pdf" etc.). No file should exceed 9.8 MB in size. 				
	 c. Appeal Fee ☑ Original Applicant - A fee equal to 85% of the original application fee, provide a copy of the original application receipt(s) to calculate the fee per LAMC Section 19.01B 1. ☐ Aggrieved Party - The fee charged shall be in accordance with the LAMC Section 19.01B 1. 				
	 d. Notice Requirement Mailing List - All appeals require noticing per the applicable LAMC section(s). Original Applicants must provide noticing per the LAMC 				

Mailing Fee - The appeal notice mailing fee is paid by the <u>project applicant</u>, payment is made to the City Planning's mailing contractor (BTC), a copy of the receipt must be submitted as proof of payment.

SPECIFIC CASE TYPES - APPEAL FILING INFORMATION

C. DENSITY BONUS / TRANSIT ORIENTED COMMUNITES (TOC)

1. Density Bonus/TOC

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

NOTE:

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

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

D. WAIVER OF DEDICATION AND OR IMPROVEMENT

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

NOTE:

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

E. TENTATIVE TRACT/VESTING

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

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

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

F. BUILDING AND SAFETY DETERMINATION

□ 1. Appeal of the <u>Department of Building and Safety</u> determination, per LAMC 12.26 K 1, an appellant is considered the Original Applicant and must provide noticing and pay mailing fees.

a. Appeal Fee

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

b. Notice Requirement

- □ Mailing Fee The applicant must pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of receipt as proof of payment.
- □ 2. Appeal of the <u>Director of City Planning</u> determination per LAMC Section 12.26 K 6, an applicant or any other aggrieved person may file an appeal, and is appealable to the Area Planning Commission or Citywide Planning Commission as noted in the determination.

a. Appeal Fee

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

b. Notice Requirement

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

G. NUISANCE ABATEMENT

1. Nuisance Abatement - Appear	1. Nulsance Abatement - Appeal procedure for Nulsance Abatement per LAMC Section 12.27.1 C 4					
NOTE: - Nuisance Abatement is only appe	ealable to the City Council.					
a. Appeal Fee ☐ Aggrieved Party the fee c	harged shall be in accordance with the LAMC	Section 19.01 B 1.				
2. Plan Approval/Compliance Re Appeal procedure for Nuisance A	e view batement Plan Approval/Compliance Review	per LAMC Section 12.27.1 C 4.				
·	ne fee charged shall be in accordance with the nall be in accordance with the LAMC Section					
NOTES						
	CNC) or a person identified as a member of a the Neighborhood Council; persons affiliate					
Los Angeles Municipal Code (LAMC will make its best efforts to have ap due process to the appellant. If the a the appeal prior to the last day to act	y must act on your appeal within a time perio C) pertaining to the type of appeal being filed peals scheduled prior to the appellate body's ppellate body is unable to come to a consensu t, the appeal is automatically deemed denied, LAMC may only be extended if formally agree	The Department of City Planning last day to act in order to provide us or is unable to hear and consider and the original decision will stand.				
Page Fee:	This Section for City Planning Staff Use Only	Data				
Base Fee:	Reviewed & Accepted by (DSC Planner):	Date:				
Receipt No:	Deemed Complete by (Project Planner):	Date:				
☐ Determination authority notified	☐ Original receipt and BTC rec	leipt (if original applicant)				

ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071-1410 213-576-1000 | Fax: 213-576-1100

Nicki Carlsen Direct Dial: +1 213 576 1128 Email: nicki.carlsen@alston.com

Re: CEQA Appeal Justification for Approval of Plans for 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA ("Murphy Site") (Case No. ZA-1959-15227-O-PA6, issued February 28, 2023 ("Plan Approval")

On behalf of E & B Natural Resources Management Corporation ("E&B"), this Office respectfully appeals the Zoning Administrator's issuance of additional and modified conditions in the Plan Approval for the above-referenced Murphy Site. This Appeal is timely submitted within 15 days of the ZA's Approval of Plan dated February 28, 2023.

REASON FOR THE APPEAL: As specifically identified in the attached appendix, certain additional and modified conditions in the Plan Approval are arbitrary, not supported by substantial evidence, and the Findings do not explain why they are necessary to alleviate the alleged harm. The additional and modified conditions in the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law, including the taking of its property for public use without the payment of just compensation.

SPECIFIC POINTS IN ISSUE:

The Zoning Administrator has abused its discretion in determining that the additional and modified conditions included in the Plan Approval are required to (1) increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood or (2) address demonstrated nuisance conditions. Neither of these determinations are supported by substantial evidence. As discussed specifically in the attached appendix, the additional and modified conditions imposed by the Plan Approval are also unduly oppressive on E&B. By interfering with E&B's vested rights without the requisite basis, and by imposing conditions that are unduly oppressive, the Zoning Administrator has not proceeded in a manner required by law.

Agencies must make all findings required by applicable law. An agency's findings must also bridge the analytical gap between the raw evidence and the ultimate decision. The Plan Approval does not bridge the analytical gap between the raw evidence and ultimate decision. For example, while the Plan Approval imposes new conditions on the Murphy Site's operations, it did not make any findings (including necessary sub-conclusions) that bridge the analytical gap between the alleged harm and the conditions imposed. In addition, LAMC § 13.01 requires findings based on "actual observation and experience with drilling" in order for a Zoning Administrator to impose additional conditions or require corrective measures to be taken. The Plan Approval did not include findings based on "actual observation and experience with drilling." The Findings also do not demonstrate or explain how the conditions would alleviate the alleged harm, and the Findings are not supported by the cited evidence.

Alston & Bird LLP www.alston.com

City of Los Angeles Department of City Planning SPECIFIC POINTS IN ISSUE: Page 2

Under the Federal Supremacy Clause and article XI, section 7 of the California Constitution, local laws in conflict with general state laws or federal laws are void. The Zoning Administrator does not have authority to regulate areas or enforce local laws that are preempted by general state laws or federal laws. Through the Plan Approval, the Zoning Administrator is purporting to regulate areas that are preempted by general state laws or federal laws, including the production of oil and gas (such as all "down hole" activities), air quality, hazardous materials, water quality, and labor laws. By regulating areas that are preempted by state and federal law, the Zoning Administrator has acted without, or in excess of, their jurisdiction.

The due process clause of the U.S. Constitution guarantees the right to due process of law before a governmental deprivation of property. The Plan Approval deprives E&B of its property rights as operator of the Murphy Site. The due process clause of the U.S. Constitution guarantees the right to be free from arbitrary and capricious government action. As the Plan Approval is arbitrary and capricious, the Zoning Administrator did not afford due process before issuing the Plan Approval.

Similarly, the equal protection clause of the U.S. Constitution guarantees the right to equal protection of the laws, requires that similarly situated property be treated similarly. The Zoning Administrator treated the Murphy Site differently from other properties that are similarly situated, and there is no basis for this differential treatment.

E&B has an established vested right to carry on its lawful business at the Murphy Site according to the terms of its existing discretionary zoning approvals. The Plan Approval interferes with E&B's vested rights. E&B submitted an application for the City to review operations for compliance with its existing plan approval. As good neighbors, E&B entered into discussions with the community and proactively suggested new safeguards that are ahead of the existing regulatory framework. However, the City has no evidence to support a need for the additional and modified conditions challenged in this appeal. E&B has an excellent record in compliance and safety with no issues with its regulating agency, the California Geologic Energy Management Division ("CalGEM"), and no history of emergency actions or spills. The Zoning Administrator has not obtained a substantial nuisance or code enforcement determination such that they have established the interests of the public require the Plan Approval and its interference with E&B's vested rights. The Zoning Administrator has not established that the conditions imposed by the Plan Approval are reasonably necessary to accomplish the Plan Approval's purported purpose.

To interfere with vested rights, there must be findings of a substantial impairment of public rights. The Plan Approval does not include any findings of a substantial impairment of public rights that would justify an intrusion on E&B's vested rights.

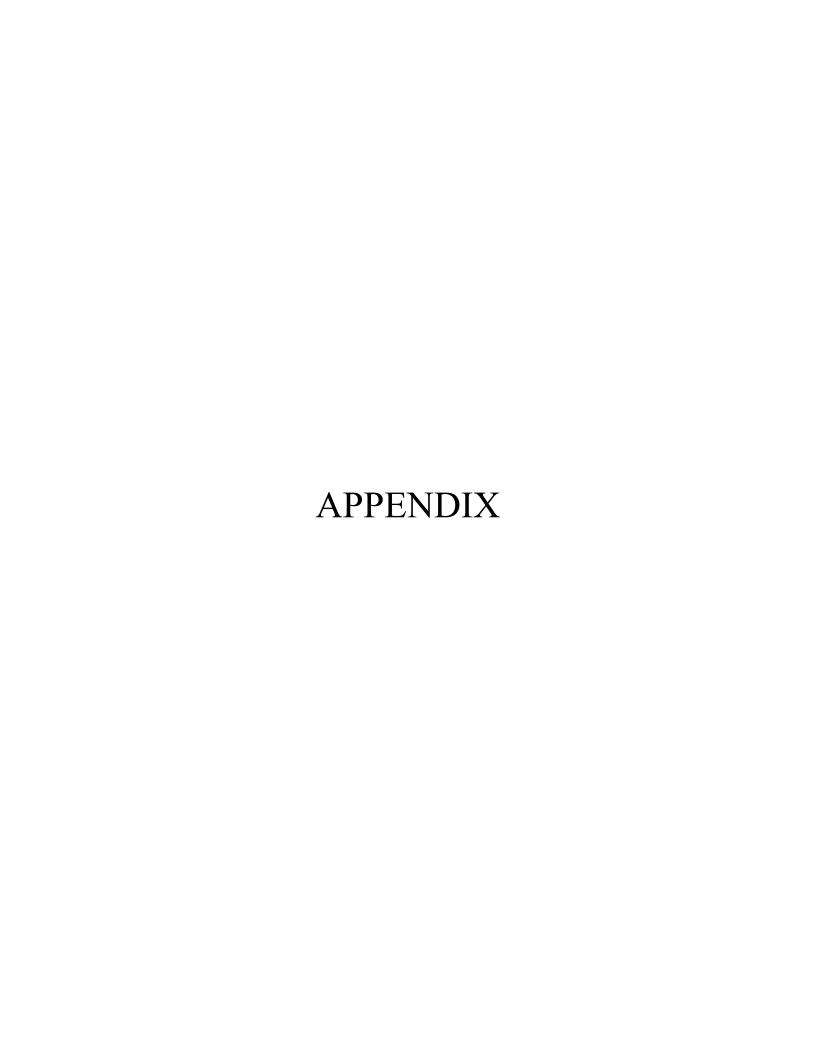
The U.S. and California Constitutions provide that private property cannot be taken for public use without just compensation. A taking occurs when there is a physical invasion of private property. The Plan Approval physically invades the Murphy Site by requiring construction thereon. A taking also occurs when a property is deprived of all economically beneficially uses. The Plan Approval will temporarily deprive E&B of all economically beneficial uses of the Murphy Site. A taking also occurs when a regulation substantially interferes with the ability of a property owner to make economically viable use of, derive income from, or satisfy reasonable, investment-backed profit

City of Los Angeles Department of City Planning HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval. Page 3

expectations with respect to the property. For example, the Plan Approval requires the use of a electric workover rig that is not commercially available, which renders E&B unable to feasibly conduct maintenance, repairs, or well-servicing on its wells. The Plan Approval unreasonably interferes with E&B's ability to make economically viable use of, derive income from, and satisfy its reasonable, investment-backed profit expectations with respect to the Murphy Site. A taking also occurs when a condition of approval is not "roughly proportional" to the impact it seeks to address. The Plan Approval imposes conditions on the Murphy Site that are not "roughly proportional" to the alleged impacts it purportedly seeks to address. Therefore, the Plan Approval effects a taking of the Murphy Site. The Plan Approval will take E&B's private property for public use and the City must pay just compensation for the taking.

HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval.

HOW DID THE DECISION-MAKER ERRED OR ABUSED THEIR DISCRETION: As discussed above, the Zoning Administrator has issued additional and modified conditions to an existing Plan Approval. The Zoning Administrator has also made Findings that are not supported by substantial evidence, and do not adequately explain how the conditions would alleviate the alleged harm. The Zoning Administrator has also not established that the additional and modified conditions are justified by a demonstrated nuisance. The issuance of the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law.



APPENDIX to CEQA APPEAL JUSTIFICATION FOR APPROVAL of PLANS FOR MURPHY SITE

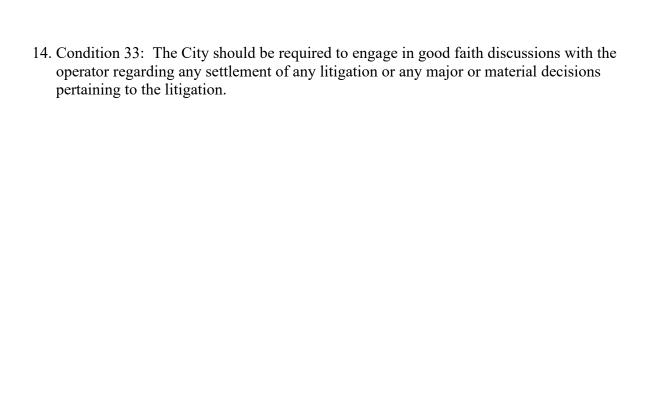
Appeal of Specific Conditions: E&B hereby appeals the following conditions of approval on numerous grounds, including that the conditions would serve to create a hazardous operating environment, that the conditions would serve to terminate or severely curtail operations, that the conditions require the implementation of measures that are not commercially available or technically feasible, that the conditions are vague or unclear and occasionally inconsistent, that the conditions are unduly onerous and not required of other facilities, that the conditions require actions out of the control of the operator, that the conditions do not serve to address the alleged concerns, and that the conditions are pre-empted by State or federal law.

- 1. Condition 5: This condition prohibits access from 27th Street for the pipeline infrastructure installed by Southern California Gas and overseen by the City of Los Angeles. It would have been impractical to access that infrastructure area from Adams (a vehicle carrying heavy equipment could not have entered on Adams Boulevard to the infrastructure area). Additional maintenance by SoCalGas may be required and this condition should allow SoCalGas to service its equipment and its pipeline infrastructure. Further, SoCalGas is not a contractor of E&B. E&B is simply a customer of SoCalGas just like everyone else in the neighborhood. E&B does not control Southern California Gas or its equipment and cannot compel SoCalGas to comply with this condition.
- 2. Condition 7: The condition requires the installation of a 30-foot sound wall *after* the 45-foot-high structure is built for any workover, maintenance or drilling rig that exceeds 45 feet in height. The City has not identified or provided any evidence that E&B is not in compliance with the applicable noise requirements. Further, a 45-foot-high structure is an effective sound barrier by itself. It is impractical, non-sensical and technically infeasible to construct a 30-foot wall within the 45-foot-high structure the 45-foot-high structure would perform the sound barrier function of the 30-foot sound wall. The other requirements to reduce sound such as acoustical blankets (subsections c and d) and sound damping acoustical material (subsection e) are also unnecessary given the sound barrier function of the 45-foot structure. E&B should be allowed to demonstrate that the 45-foot-high structure is sufficient by itself to satisfy any noise mitigation requirement. In addition, while the operator will perform sound monitoring during any drilling, workover or maintenance activity, and the operator is willing to provide that information to the City as the regulating agency, the City provides no basis for its requirement to provide public notification of these results.
- 3. Condition 17: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and has appealed the Zoning Administrator's Interpretation regarding "maintenance" activities. This condition should conform to the results of those legal proceedings.
- 4. Condition 19: While the operator offered proactively to provide fence-line air quality monitoring, this condition requires the installation of a new monitor for the evaluation of

certain constituents using detection limits that are not technically feasible. The findings state that the "existing system may not be set up to monitor all of the mentioned production by products so there may be some expense for the operator in meeting this Condition" (Letter of Determination, p. 60.) The City has not provided any evidence to conclude that any such system is commercially available or technically feasible or even reliable, particularly at the noted detection limits. Also, these detection limits appear to be inconsistent with federal and/or state health and safety limits, and thus, the City is improperly implying that some health and safety concern exists occurred if these detection limits are exceeded. For example, a typical air sample would normally have 200-400 ppb of VOC's and thus, an exceedance of a detection limit of 10-25 ppb of VOCs would not be indicative of anything. The condition also requires "real-time" data, which is also not technically feasible as the data needs to be processed to make it useable.

- 5. Condition 21: This condition requires the operator to maintain a website to distribute to the public information on the facility's operations. Again, the City has provided no legal basis to require public distribution of this information. The operator is willing to maintain the website for notice to the public of activities that require notice and to provide emergency contact information and emergency reporting instructions.
- 6. Condition 22: This condition improperly requires notice by "certified mail" there is no legal basis for this requirement. The website would offer sufficient notice of these activities. There are also notification requirements already in place via the City's Plan Approval process and through SCAQMD.
- 7. Condition 23: This condition requires a "45-foot in height structure enclosing the oil production area of the site." An "enclosure" often means something that is "enclosed" and with a roof. The condition does not explicitly state that this "enclosure" is required to have a roof, and the condition acknowledges the potential use of a rig within the structure that exceeds 45 feet. Given that enclosing the production area with a roof would create a hazardous condition, the City should clarify that the 45-foot height structure is open air, without a roof. (The Packard site is open air.) In addition, it is unclear how the HPOZ process can be satisfied within the 24-month time frame, particularly if there are administrative appeals or litigation. In any case, the City should indicate that the design of the structure should be compatible with the design of the Packard structure. The so-called "enhanced vapor recovery system" to be installed along the top of the 45-foot-high structure is not technically feasible vapor recovery may be applied to pieces of equipment but not to the air generally.
- 8. Condition 24: This condition states: "Amendments shall be made within six months of the review following preparation of any amendment." Under federal law, the SPCC is required to be updated every five years. The City should clarify that it is not requiring an update every six months, but that *if* an update is made (other than the required 5-year update), then the amendment will be provided to the City. Otherwise, this condition is not consistent with and is pre-empted by federal law. Furthermore, the SPCC requirements do not impose a condition for 24/7 staffing, nor do they require a minimum of two operators per shift. The City has no legal basis for mandating the number of employees at the site or for controlling the operator's staffing requirements. Staffing

- requirements are otherwise regulated by State and/or federal law and the City's provisions in this condition are pre-empted.
- 9. Condition 25: This condition improperly prohibits the importation of "methane" or natural gas to power the microturbines. The operation of the microturbines is essential to the operation of the site, and without the microturbines, operations would be effectively terminated or severely curtailed. The City has provided no legal basis for prohibiting the use of natural gas from an offsite provider, something virtually every other commercial, industrial and residential use is allowed to do. The findings refer to the prior operator's request for a flare as evidence of excess natural gas on the site, but circumstances have changed as the City is well aware, as it approved the installation of the SoCalGas pipeline to serve the microturbines. This condition also improperly prohibits electric drilling, workover and maintenance rigs, and the opposition to Condition 26 below also applies to this condition.
- 10. Condition 26: This condition requires the use of electric drilling, workover and maintenance rigs, although commercially available workover and maintenance rigs do not exist, as stated by the Petroleum Administrator. (Letter of Determination, p. 37.) The findings incorrectly state that the Packard site is required to have an electric workover rig (Letter of Determination, p. 63). As for Jefferson, the electric workover rig requirement was contested by the operator and never implemented because the site is transitioning to other uses. The City may have been referencing (incorrectly) the rig at the PCEC site on Pico Boulevard, but that is a drilling rig (not a workover or maintenance rig) which is permanently installed and hard-wired to the electric grid and cannot be moved to be utilized elsewhere. This requirement fails to recognize the current state of technology as presented by the City's own Petroleum Administrator and effectively terminates or severely curtails operations at the Murphy site. In addition, this condition prohibits the idling of diesel-powered vehicles, and this condition should clarify that a vehicle is not "idle" if it is being used for operations, such as powering equipment on the site.
- 11. Condition 27: This condition acknowledges that an "idle well shall be defined and identified per CalGEM's Well Finder web application." The condition should be clarified to state that compliance with State's idle well regulations serve to satisfy the City's regulations regarding idle wells.
- 12. Condition 28: This condition imposes new requirements that are inconsistent with the Fire Department's current regulations (and practice) with respect to fire suppression, hydrogen sulfide and methane alerts, and quarterly monitoring. The operator does not control the Fire Department, and the condition should conform to the Fire Department's requirements.
- 13. Condition 32: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and these conditions must conform to the outcome of that legal challenge. Further, the operator objects to the imposition of any ordinance provision during the pendency of that litigation.



DETERMINATION LETTER

OFFICE OF ZONING ADMINISTRATION

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KAREN BASS **MAYOR**

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February 28, 2023

Ted Cordova (A) E & B Natural Resources 249 East Ocean Boulevard Long Beach, CA 90802

Roman Catholic Archdiocese of Los Angeles (O) 3424 Wilshire Boulevard Los Angeles, CA 90010

CASE NO. ZA-1959-15227-O-PA6 APPROVAL OF PLANS 2126 West Adams Boulevard and 2125 West 26th Place South Los Angeles Community Plan

[Q]R4-1-O-HPOZ Zone:

C.D: 10

123B193 D.M.:

CEQA: ENV-2021-7445-CE

Legal Description: Lot A, Tract 9454

Pursuant to the California Environmental Quality Act, I hereby **DETERMINE**:

based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1), Section 15303 (Class 3), Section 15305 (Class 5), Section 15308 (Class 8), and Section 15321 (Class 21), and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies.

Pursuant to Los Angeles Municipal Code (LAMC) Section 12.24 M, Condition No. 14 in Case No. ZA-1959-15227(O)(PA4), and LAMC Section 13.01-E,2(i), I hereby **DETERMINE**:

that, based on the whole of the administrative record, additional and modified conditions are required for the continued operation of the existing Murphy Oil Drill Site to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood. The additional conditions are also necessary to afford greater protection to surrounding property and to address the nuisance conditions which were demonstrated by substantial evidence.

The additional and modified conditions are:

Note: The conditions of approval from Case No. ZA-1959-15227(O)(PA4) are in standard type and font. The revisions to the Conditions of Approval are in **bold** print and underlined or strikethrough

- 1. MODIFIED: The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-I dated March 27, 2007. Prior to any clearance on a building permit per Condition No. 23, a revised plot plan shall be provided showing the current production equipment locations on-site. Said plot plan shall provide a detailed description and inventory of production equipment, such as tanks, vessels, compressors, scrubbers, separators, micro-turbines, etc.
- 2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:
- 3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3,4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail.
- 4. **MODIFIED:** Landscaping of the site shall be maintained as follows:
 - a. With respect to that portion of the drill site south of the cement block wall and facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant and/or maintain 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall; (3) plant and/or maintain Ficus or climbing ivy, or similar plant-life (grown to 5 gallon size containers) along the South facing facility wall; (4) spread and/or maintain wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install **and/or maintain** drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and place sprinklers on timers to insure proper maintenance of the grassy area; (7) install and/or maintain new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the east fence by painting it; (9) install and/or maintain meandering dry creek bed hardscape on the south parcel, utilizing recycled broken concrete foundations from Drill Site facilities (final placement, configuration and length dependent on pipeline easement and other site facility considerations); (10) work with 10th Council District office (or its successor office) and Archdiocese to allow future public access.
 - b. With respect to that portion of the drill site east of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install <u>and/or maintain</u> new/improved cyclone fencing along Adams, including raising the east facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install <u>and/or maintain</u> 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on east

- wall; (4) improve <u>and/or maintain</u> wall on west side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install <u>and/or maintain</u> parking lot lighting; (7) plant <u>and/or maintain</u> ficus/climbing ivy, or similar along east and west walls to enhance its appearance (using 5 gallon size container plantings); (8) install <u>and/or maintain</u> drip irrigation on new plantings; (9) install <u>and/or maintain</u> sprinkler timers.
- c. A yearly review of the landscaping shall be conducted by the applicant with the Council District Office and the United Neighborhoods Neighborhood Council.
- 5. **MODIFIED**: That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drill site, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees. and overflow parking for The Athletic Club. Parking on the east side of the drill-site, outside of the enclosed area, shall not be used for heavy trucking operations or staging or storage of any. All such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities. There shall be no access to the site from 27th Street except for maintenance of the landscaped area fronting on 27th Street and south of the wall separating the landscaped area from the production site. Additionally, there shall be no parking of any vehicles by workers or equipment servicing the site on 27th Street. Any access for the maintenance of any infrastructure for the production site such as existing pipes in front of said wall shall be from the existing gate at the parking area on the easterly side of the facility with access from West Adams Boulevard only.
- 6. MODIFIED: As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted 24 hours a day, seven days a week, no work shall be conducted on the property between the hours of 7:00 p.m. of one day and 7:00 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7:00 p.m. of and 7:00 a.m., the applicant shall operate its facility in "Quiet Mode". "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency)

purposes only. The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergency situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling or workover rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversized/overweight load) truck deliveries shall be permitted from 7:00 a.m. to 9:30 p.m., on week-days none during week-ends and holidays. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parked within the facility is scheduled to leave the facility within 15 minutes. The maximum number of heavy truck deliveries allowed for moving the drilling rig on and off the premises shall not exceed 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the number of "permitted" truck deliveries per day (week-days only, none on week-ends and holidays) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-ends and holidays only) shall be limited to a maximum of five.

The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or re-drilling of wells. The operator shall also provide a landing page on a publicly available website where interested parties can sign up for email alerts as a supplemental effort for notification purposes. The operator shall provide the web address for the publicly accessible website within six (6) calendar months of the final determination of Case No. ZA-1959-15227-O-PA6.

- 7. MODIFIED: Until a permanent 45-foot high structure is built, in accordance with Condition No. 23, and, afterward for any portion of a workover, maintenance or drilling rig which exceeds 45 feet in height, the applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:
 - a. Erect a 30-foot high blanket sound wall on the west, <u>south and east</u> side of the <u>any workover, maintenance or</u> drilling rig at the Murphy drilling site (west, <u>south and east</u> side property line), with the layout and wall lengths determined after the drilling, <u>workover or maintenance</u> rig and equipment positioning has been established. Install the sound wall as close as possible to the drilling, <u>workover or maintenance</u> rig and associated equipment with no gaps or openings in the walls. The sound wall material should have a minimum STC rating of 25. Sound

wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up. The sound wall shall not be maintained for more than 120 continuous days. Should unforeseeable mechanical problems warrant the maintenance of the sound wall for a period exceeding the 120 continuous days, the applicant shall notify the Office of Zoning Administration and Council Office and inform the owners and occupants of surrounding property of the reasons for and estimated duration of the delay in the dismantlement of the wall.

- b. [Condition 7.b was deleted in Case No. ZA-1959-15227-O-PA4]
- c. To reduce sound from the drilling, workover or maintenance rig's sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west property line.
- d. The stabbing platform on the rig's derrick shall be enclosed with STC-25 rated acoustical blankets.
- e. To mitigate the drilling, workover or maintenance rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.
- f. Position all ancillary noise generation equipment away from the nearest critical receptors when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.
- g. Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.
- h. Implement Drill Site "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.
- i. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all <u>drilling</u>, <u>workover or maintenance activity to ensure adequate sound mitigation has been installed</u>, and to identify any unusual or unique noise <u>problems</u>, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may shall be considered during all drilling, workover or maintenance activity. The operator shall make known through both regular mail and website communication the results of such measurement and monitoring to abutting property owners and residents as required by Condition No. 21 elsewhere in this Determination.
- 8. <u>DELETED:</u> Drilling operations may be conducted seven days per week on a 24-hour basis, including any nationally recognized holiday. Drilling operations for the first

three wells identified in the grant clause of the instant determination shall e completed within 36 months from the effective date of this determination. The drilling for the following nine wells as hereby authorized shall be subject to a review of plans by the Zoning Administrator, without a public hearing, for the purpose of updating the record with the well identification and path. None of the wells hereby authorized shall be engaged in a production mode until the vault is complete.

The first three new wells may be drilled prior to the construction of the new well (vault) cellar using temporary cellar rings in substantial compliance with the "Ring Cellar Schematic" and the "Construction Plan: Well Cellar Rings" attached hereto (Exhibit B) subject to any permitting requirement of the Department of Building and Safety and the Department of Oil, Gas and Geothermal Resources.

Once these three wells have been completed, they will be shut so that the permanent well cellars can be constructed in compliance with plans approved by this grant (Exhibit A). During construction of the permanent well cellar, the temporary cellar rings shall be removed and the cellars shall be incorporated in the permanent will cellar. Drill operations shall be completed within 36 months from the effective date of this determination.

- 9. <u>NEW: All drilling, workover or maintenance rigs and equipment shall be removed from the premises immediately after drilling is completed, sump holes filled and derricks removed within sixty days after the completion of the work.</u>
- 10. NEW: All oil drilling, production and maintenance operations shall be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration and noxious odors and shall be in accordance with the best accepted practices incident to drilling for and production of oil, gas and other hydrocarbon substances. Proven technological improvements in drilling, production and maintenance methods shall be adopted as they may become available, from time to time, if capable of reducing factors of nuisance and annoyance.
- 11. MODIFIED: The applicant operator shall permanently post at all of the site's entry gates (including those facing West Adams Boulevard and West 27th Street), the direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem or odors. A call log shall be maintained including date and time of call and subject, and date and time of response and action. Said log shall be made available at the request of the Office of Zoning Administration. Signage shall include instructions to call 911, the SCAQMD or the operator's hotline number in case of noxious odors caused by the operation. Signage shall also include the company's publicly available website where more information about activities are made available.
- 12. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and

- the south side, facing 27th Street. All trash and debris shall be removed from the site daily.
- 13. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
- 14. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 15. MODIFIED: All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area. Any new exterior lighting at the project site shall be located below the top of the surrounding containment structure and property line walls and shall be directed onto the site. Except as directed otherwise by the Office of Zoning Administration or other public agency, no lights shall be located on the enclosure structure above the height of the surrounding exterior and property line walls. These lights shall be placed and designed to minimize their impact on neighboring properties.
- 16. **MODIFIED**: At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department's corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.
- 17. NEW: As further required by Section 13.01-H and I or Section 12.23-C,4 of the Municipal Code, no maintenance acidizing is permitted on an existing production or injection well until a determination has been made by the Zoning Administrator.

- 18. NEW: An Annual On-site Safety Inspection Report shall be performed by the applicant/operator and sent to the Petroleum Administrator and the Office of Zoning Administration, listing the inventory of equipment on site, any repair work, and / or maintenance done to keep the equipment in good operating condition at all times and any safety protocols of the responsible State, regional and City agencies. The first Annual Safety Inspection report shall be submitted within 45 days of the effective date of this action.
- 19. NEW: Within 90 days of the effective date of this action, the applicant shall install a fence line air monitoring system which presents real-time air monitoring data, along the fence line between the oil drilling and production facility and the community. The system shall be designed and installed to provide real time data on-line via a website and provide quarterly reports to the SCAQMD, the Petroleum Administrator and the Office of Zoning Administration for up to three years from the effective date of this action. Monthly reports shall also be submitted to the Office of Zoning Administration via e-mail to planning.oildrilling@lacity.org. The fence line air monitoring system shall monitor for hydrogen sulfide, nitrogen oxide, sulfur dioxide, carbon dioxide, carbon monoxide, methane, benzene, ammonia, hexane, toluene, xylene, and other volatile organic compounds, reactive organic gases, and toxic substances. The monitoring equipment shall continuously measure Volatile Organic Compounds as listed above and Hydrogen Sulfide at the facility fence line with detection limits of 10-25 ppb of VOCs and 10 ppb of Hydrogen Sulfide.
- 20. NEW: The applicant shall immediately notify the Los Angeles Fire Department, the Petroleum Administrator, the Office of Zoning Administration, the Department of Building and Safety and the local City Council office of an emergency, any incident, and/or spill that requires reporting to any State, County, or regional agency. In addition, the operator shall notify the Office of Administration's Oil Drillina Unit via email planning.oildrilling@lacity.org within 24 hours whenever there is an emergency event that includes, but is not limited, to 911 calls for emergency services or CalOES hazardous event notifications. Operator staff can email planning.oildrilling@lacity.org for notifications.
- 21.NEW: The applicant shall create a landing page for the public on the company website with information on monthly reporting on noise and emission levels at the drill site, current and planned operations, emergency contact information, emergency reporting instructions, and real time fence line air monitoring data. The operator shall have this website completed and in operation within six calendar months of the effective date of this action and provide the website address information to planning.oildrilling@lacity.org to be included in the administrative record.
- 22. NEW: The operator shall notify all owners and occupants within 100 feet when permitted and approved drilling, redrilling, deepening, rework activities, plugging and abandonment and maintenance acidizing activities will

commence for any well(s) at the drill site. Notification shall be provided one calendar week prior to the anticipated start date of the project. The operator shall utilize the Los Angeles County Department of Public Health's Community Health and Safety Notification Plan. Notification shall be sent by way of certified United States Postal Service mail and be stated on the operator's website. The operator shall also use the landing page on their website for such notification. Rework activities shall be defined as any scope of work that requires a CalGEM Notice of Intention permit and maintenance acidizing shall be defined as anything that triggers SCAQMD Rule 1148.2 Oil and Gas Well Notification

- 23. NEW: Within 24 months of the effective date of this determination, completion of all required work shall be verified during the final inspection of the building permit and the building permit shall be finalized for an approximately 45-foot in height structure enclosing the oil production area of the site. No oil, gas or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is enclosed within the 45-foot in height structure. Plans for said enclosure need to be submitted to the Department of Building and Safety for all necessary reviews, including reviews by other departments and agencies, as appropriate, and building permits secured prior to any construction. The operator shall provide a height survey if requested by the Department of Building and Safety. Notwithstanding the 45-foot height limit for the containment structure, where any drilling, maintenance, or workover rig which exceeds the 45-foot in height structure, such a rig must also be sound proofed as provided for in Condition No. 7. This structure, for the oil production area, shall be of a permanent type, of attractive design and constructed in a manner that will minimize, as far as practicable, dust, noise, noxious odors and vibrations or other conditions which are offensive to the senses, and shall be equipped with such devices as are necessary to minimize the objectionable features mentioned above. The architectural treatment of the exterior of such structure shall be subject to issuance of a Certificate of Compatibility with the approval of the Director of Planning, or their designee, after a maximum of two hearings by the Jefferson Park Historic Preservation Overlay Zone's Historic Preservation Board. See Exhibit B for the area that shall be enclosed. This area includes, but is not limited to: the well cellar, storage tanks, slop tank, compressors, and the microturbines.
 - a. Tanks and other equipment and buildings used in extraction and production activities shall be maintained on the site in such a manner that no portion of the tanks, equipment or buildings other than the upper portion of the rig shall extend above the height of the 45-foot permanent enclosure. In addition, no portions of the draw-works house, drilling equipment buildings, temporary mud and water storage tanks and future portable drilling mast used for servicing activities shall extend above the height of the 45-foot permanent enclosure.

- b. <u>In addition, the workover, maintenance or drilling rigs, that measure up to a height of 45 feet and the micro-turbines shall be within the 45-foot in height structure.</u>
- c. An enhanced vapor recovery system shall be installed along the top of the 45-foot in height enclosure structure for the oil production area. The vapor recovery recordings or report shall be submitted to the Office of Zoning Administration (via email to planning.oildrilling@lacity.org), the Petroleum Administrator, the State Fire Marshal, the California State Resources Board and the South Coast Air Quality Management District as required pursuant to city, county, state, and federal rules and regulations.
- d. It is the applicant's responsibility to act in a timely manner to submit a building permit application and comply with all rules and requirements in order to secure and final the building permit for the 45-foot in height structure. It is also the applicant's responsibility to act in a timely manner to apply for and obtain a Certificate of Compatibility from the Jefferson Park HPOZ Board.
- 24. NEW: A Spill Prevention, Control and Countermeasure (SPCC) Plan shall be submitted via email to planning.oildrilling@lacity.org, annually. Amendments shall be made within six months of the review following preparation of any amendment. The updated document shall be submitted to the file to the satisfaction of the Bureau of Sanitation Watershed Protection Division, the Petroleum Administrator and the Office of Zoning Administration. This review shall include at a minimum, the following:
 - Applicability of new prevention and control technology, which may significantly reduce the likelihood of a spill event from the Facility if such technology has been field proven at the time of the review;
 - Accuracy of the SPCC Plan as compared to the current facility operation and SPCC Regulations;
 - Capacity and structural integrity of secondary containment structures;
 and
 - SPCC inspections and records retention to ensure continuity for a minimum period of three years.
 - The site shall be staffed 24 hours a day, seven days a week. There shall be a minimum of two operators per shift so that meal and other breaks do not result in the site being unoccupied by staff.
 - The dispersal system for any required odor control product shall be placed as far as practicable from any adjacent residential structures to the site. The current location of the system shall be moved to a more remote location in the drill site, but away from any open flames or ignition sources.

- 25.NEW: All drilling, workover, or maintenance rig operations at the site shall at all times be carried on only by electric power. All other operations on the site shall at all times be carried on only by means of electric power. Power may be generated on site by solar voltaic generators or natural gas powered microturbines placed within sound and odor proofed buildings or structures. Any methane used for the micro-turbines must come from methane produced as a by product from oil extraction. Methane may not be imported to power microturbines from off-site sources nor may it be pumped to the site from other oil production sites in the area.
 - The operator shall limit any microturbine PM emissions to 0,0035 lbs/mmbtu, or an equivalent reduction in the number and/or size of the microturbines, in order to reduce emissions to below local thresholds. The applicant will be subject to SCAQMD permit conditions that limit emissions from the set of microturbines, not just individual permit units.
- 26.NEW: The use of diesel fueled equipment, including any drilling, workover or maintenance rig, is prohibited on the site nor may any backup generators use diesel fuel. Backup generators shall either be solar powered, be plugged into the electric power grid or powered by the on-site microturbines. Diesel powered vehicles are permitted on the site. Said vehicles, however, may not idle when on-site and must shut off their engines until they are to be moved off of the site or to another position on the site.
- 27.NEW: The operator shall remain in compliance with city, county, state and federal regulations specifically regulating idle wells. The operator shall plug and abandon idle wells as required by and in accordance with any city, county, state and federal regulations that identify a) when a well becomes idle and b) requirements to abandon an idle well. An idle well shall be defined and identified per CalGEM's Well Finder web application.
- 28.NEW: Monitoring Program. The following measures shall be utilized by the operator to maintain regular and assured oversight of the well site in a residential neighborhood.
 - a. The operator shall install an early alert detection system which will alert the Los Angeles City Fire Department (LAFD) of hydrogen sulfide and methane leaks. A protocol for the construction, installation and operation of the system shall be established to the satisfaction of the LAFD and CalGEM within 90 days of the effective date of this Determination letter and submitted to the Office of Zoning Administration for placement in the case file. Such system shall remain in operation during the lifetime of the drill site operation.
 - b. The operator shall install a state-of-the-art fire suppression system which shall use, but not be limited to more effective fire suppressants

- such as foam. The system shall be constructed to the satisfaction of the LAFD; with the clearance from the LAFD for its design.
- c. The operator shall formally arrange with the LAFD Oil Wells Unit and the LAFD CUPA Program, for quarterly monitoring of the operation at the subject site, including but not limited to inspection of the systems described above. Such inspections shall occur quarterly during the first five years of operation following this Determination. Copies of a formal arrangement assuring inspection shall be sent the Office of Zoning Administration for placement in the case file. Copies of all monitoring inspection reports shall be filed with the Office of Zoning Administration and the Petroleum Administrator.
- 29. NEW: The operator, in the event of ceasing and/or decommissioning the drill site, shall test for potential hydrocarbon contamination in specific areas. The operator, or responsible party, shall test for soil data under the well cellar and tank battery area of the drill site. If contamination is found to be present then the area shall be remediated according to the standards and satisfaction of the Los Angeles Regional Water Quality Control Board. All excavations and depressions shall be filled with clean soil. All oil, refuse and waste shall be removed from the drill site pursuant to city, county, state and federal laws and regulations. The operator, or responsible party, shall remove all underground and above-ground storage tanks in accordance with city, county, state and federal laws and regulations.
- 30.NEW: All production installations or facilities shall be removed and the premises restored to its original condition after all oil and gas wells have been abandoned in accordance with city, county, state, and federal regulations.
- 31.NEW: The operator shall record a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard main covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided for inclusion in case file.
- 32. NEW: When a Condition of ZA-1959-15227-O-PA6 conflicts with Los Angeles Municipal Code Section 12.23-C,4, as recently adopted by Ordinance No. 187,709, and effective on January 18, 2023, Section 12.23-C,4 shall supersede on matters regarding the drilling of new wells or the redrilling of existing wells to increase extraction. All other conditions in ZA-1959-15227-O-PA6 shall remain in effect.
- 33. NEW: 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 in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, 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, commissions, 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.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after **March 15, 2023,** unless an appeal therefrom is filed with the Department of City Planning. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of

the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. Forms are available on-line at http://planning.lacity.org. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street 4th Floor Los Angeles, CA 90012 (213) 482-7077 Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Blvd., Room 251 Van Nuys, CA 91401 (818) 374-5050 West Los Angeles Development Services Center 1828 Sawtelle Blvd., 2nd Floor 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.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Oil and Gas Facilities Unit of the Office of Zoning Administration. 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.

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 Case No. ZA-1959-15227(O)(PA4) Condition No. 14, at any time during the period of validity of the grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application, together with associated fees, the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. Upon review the Zoning Administrator may modify, add, or delete conditions.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, and the statements made at the public hearing on April 28, 2022, 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

This Plan Approval Determination results from the research and findings of this office, as well as testimony raised by residents and stakeholders from the community surrounding the Murphy Oil Drill Site operation. This Determination is in response to the application filed by the operator on September 1, 2021.

Research and reports from the Department of City Planning ("LADCP"), the Department of Building and Safety ("LADBS"), the Los Angeles Fire Department ("LAFD"), the Southern California Air Quality Management District ("SCAQMD"), 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 Murphy Oil Drill Site operation.

This Plan Approval process began with a November 17, 2020 letter from the Department of City Planning's Office of Zoning Administration to the operator inquiring about any recent well work at the Drill Site and if the operator had secured permits from CalGEM for recent work. On December 17, 2020, the operator responded to the City with additional information.

On June 1, 2021, the Department of City Planning's Chief Zoning Administrator sent a letter to the operator notifying them of the requirement to file for a Plan Approval for a review of compliance with and effectiveness of the conditions imposed under Case No. ZA-1959-15227(O)(PA4). On September 1, 2021, the operator submitted an application to the Department of City Planning for a Plan Approval (Case No. ZA-1959-15227-O-PA6) to review compliance with the conditions of approval imposed under Case No. ZA-1959-15227(O)(PA4). The applicant included a letter in the application requesting additional conditions related to annual inspections, emergency reporting, air monitoring, and microturbines.

On July 28, 2021, the Department's Chief Zoning Administrator sent a letter to the operator inquiring about possible well maintenance activities that would be subject to LAMC 13.01-H. On September 22, 2021, the operator responded to the City with additional information.

On December 22, 2021, the Chief Zoning Administrator sent a letter to the operator inquiring about toxic chemicals used to mask odors, use of radioactive materials on wells, and staff leaving the drill site at night. On January 17, 2022, the operator responded to the City with additional information.

A Public Hearing was conducted on April 28, 2022 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.

The Office of Zoning Administration's review of the whole of the record and found that the applicant and operator were partially compliant with the Conditions of Approval. The details of this review, as well as the Zoning Administrator's responses, are provided in the "Review of Compliance with Conditions" section of the report. Because of the partial compliance and neighborhood complaints over odors and noise additional Conditions of Approval have been required.

Project Site

The subject property is a controlled drill site, known as the Murphy Oil Drill Site, which was first permitted in 1961. The site is a slightly sloping, irregular-shaped parcel of land consisting of approximately 3.2 acres, having a frontage of approximately 323 feet along West Adams Boulevard, 160 feet along West 26th Place, and 165 feet along West 27th Street. The site is in the [Q]R4-1-O-HPOZ zone and Urbanized Oil Drilling District No. 37 established by Ordinance No. 114,701 in 1959. The site contains wells bottoming in Urbanized Oil Drilling Districts Nos. 36-40, 81-84.

The northern portion of the drill site is enclosed with a concrete block wall which is set back from Adams Boulevard approximately 25 feet. Along 27th Street, the property is enclosed by a 6-foot high wrought iron fence with approximately 44,900 square feet (1.03 acre) of landscaped area immediately behind it. A block wall, varying in height from 21 feet to 29 feet because of topographical variations, is located a distance of 265 feet from 27th Street. In addition to the landscaped area, the site is developed with tanks, well cellars, pumps, generators, compressors, operational buildings, and a parking area on the easterly side of the property. The property is accessed via a pair of gates and driveways on Adams Boulevard and via a gate and driveway on 27th Street.

Neighboring properties to the north are zoned R4-1-O-HPOZ and are improved with one-and two-story buildings with a library (LA84 Foundation) and a seven-story residential building. Neighboring properties to the south are zoned RD2-1-O-HPOZ and are improved with single- and multi-family dwellings. Neighboring properties to the east are zoned R3-1-O-HPOZ and are improved with two-story multifamily dwellings (St. Andrews Garden Apartments). Neighboring properties to the west are zoned [Q]R4-1-O-HPOZ and R3-1-O-HPOZ and are improved with the two-story Carl Bean House (hospice) and the two-story Servants of Mary Convent. Also located within 500 feet of the site are St John of God rest home and hospital and the William Andrews Clark Memorial Library owned by U.C.L.A.

<u>Adams Boulevard</u>, adjoining the property to the north, is an Avenue I, with a designated width of 100 feet and is improved with a paved roadway, concrete curb, gutter, and sidewalk.

<u>26th Place</u>, adjoining the property to the west, is a Local Street – Standard, with a designated width of 60 feet and is improved with a paved roadway, concrete curb, gutter, and sidewalk. The street dead-ends into the perimeter wall of the project site with no traffic turn-around.

<u>27th Street</u>, adjoining the property to the south, is a Local Street – Standard, with a designated width of 60 feet and is improved with a paved roadway, concrete curb, gutter, and sidewalk.

Previous zoning related actions on the site include:

<u>Case No. ZA 15227(O)(PA5)</u> – On, June 30, 2016, the Zoning Administrator denied, the installation and use of a Clean Enclosed Burner ("CEB800") and appurtenant sound attenuation wall and modification of Condition No. 49 of Section 13.01-F with respect to hours of operation during project construction at the site.

<u>Case No. ZA 15227(O)(PA4)-1A</u> — On June 3, 2014, the South Los Angeles Area Planning Commission denied appeals from two appellants. The parties involved agreed that issues will be raised at the public hearing for a subsequent Plan Approval.

<u>Case No. ZA 15227(O)(PA4)</u> — On December 26, 2013, the Zoning Administrator approved the installation of the CEB800 and Sound Wall subject to specific conditions. On March 11, 2014, the Zoning Administrator issued a communication clarifying that the determination is appealable and established a fifteen-day appeal period.

<u>Ordinance No. 181,769</u> – On June 28, 2011, the Los Angeles City Council passed an ordinance to establish the Jefferson Park Historic Preservation Overlay Zone (HPOZ).

<u>Case No. ZA 15227(O)(PA4)</u> – On December 26, 2007, the Zoning Administrator approved the expansion of an existing gas plant on the facility, subject to specific conditions. Equipment additions included six vertical absorbers, a gas compressor, a recirculation pump, a heat exchanger, and sound enclosures, all manufactured off-site, to be installed on the premises.

Case No. ZA 15227(O)(PA4) — On September 14, 2007, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the expansion of the existing well cellar with a maximum of twelve new well slots, including the drilling of two new Class "A" oil wells and one Class "B" well, respectively identified as M-28, M-29, and M-30 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-37 and M-30 respectively, and the future drilling of nine additional wells for a maximum total of 38 well slots.

<u>Case No. ZA 15227(O)(PA3)</u> – On March 13, 2006, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the re-drilling of three Class "A" oil wells, including the conversion of two Class "B" wells into Class "A" wells, identified as M-2RD1, M-12RD1, and M-14RD2 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-36, U-37, and U-82 respectively.

<u>Case No. ZA 15227(O)(PA2)</u> – On April 15, 2005, the Zoning Administrator approved a request for a Plan Approval pursuant to the instruction of the Chief Zoning Administrator, relative to initiating Council Motions (Ludlow-Reyes and Perry-Parks), dated April 13, 2004, in which it has been determined that the subject use poses no significant nuisance to adjoining or neighboring properties. The subject of the Council

Motions was, in part, concerning resident complaints of oil fumes and noise arising from recent oil drilling operations at site.

<u>Case No. ZA 15227(O)(PA 1)</u> – On August 1, 2003, the Zoning Administrator approved a request for an approval of plans to temporarily modify Condition No. 12 of Case No. ZA 15227 to allow the re-drilling of two oil wells on a 24-hour, seven day per week basis for approximately 40 days.

<u>Case No. ZA 15227</u> – On February 15, 1994, the Zoning Administrator approved a request for methods and conditions for the expansion of an existing well cellar at the Murphy Drill Site in order to provide additional space for the future drilling of six Class "A" oil wells.

<u>Case Nos. ZA 15227 and 16182</u> — On June 22, 1993, the Zoning Administrator approved a request for methods and conditions for the re-drilling of three Class "A" oil wells identified as 26RD2, 16RD, and 5RD of the Murphy Drill Site involving Urbanized Oil Drilling District Nos. U-82 and U-37.

<u>Case Nos. ZA 15227 and 15890</u> – On January 22, 1993, the Zoning Administrator approved a request for an approval of plans to remove and distribute 366 cubic yards of dirt at the Murphy Drill Site in order to provide additional space for the re-drilling of three Class "A" oil wells.

<u>Case Nos. ZA 15227 and 15890</u> – On December 29, 1992, the Zoning Administrator approved a request for methods and conditions for the re-drilling of three Class "A" oil wells identified as 10 RD2, 22 RD, and 21 RD of the Murphy Drill Site involving Urbanized Oil Drilling District Nos. U-36 and U-37.

<u>Case Nos. ZA 15227 and 15890</u> – On February 4, 1992, the Zoning Administrator approved a request for methods and conditions for the re-drilling of one Class "A" oil well identified as Murphy No. 7 involving Urbanized Oil Drilling District Nos. U-36 and U-37.

<u>Case No. ZA 15227</u> – On July 18, 1985, the Zoning Administrator approved plans for the installation and operation of gas treating equipment to extract carbon dioxide from natural gas on property identified as the Murphy Drill Site.

<u>Case Nos. ZA 15227 and 20385</u> – On April 4, 1972, the Zoning Administrator approved plans for construction of an approximately 10 feet by 40 feet enlargement onto the easterly side of the well cellar on the Murphy Drill Site, with the new construction containing space for four additional oil wells.

<u>Case No. ZA 20385</u> — On November 25, 1970, the Zoning Administrator approved a request for methods and conditions for the re-drill of Murphy No. 18 oil well bottomed under Oil Drilling District No. 36 and for drilling of Murphy No. 22 bottomed under U-82, and for temporary relaxation of Condition Nos. 1, 3, 6, 7, 8 and 12 of extant ZA Case No. 15227.

<u>Case No. ZA 19951</u> – On September 10, 1969, the Zoning Administrator approved a request for methods and conditions for the resumption of drilling operations for oil wells to be bottomed in the involved Oil Drilling District U-37 and adjoining Districts U-36, U-38 and U-82.

<u>Case No. ZA 15227</u> – On November 14, 1966, the Zoning Administrator approved plans for alterations primarily in the way of a new door and vent in the existing electric switch house on the southerly side of the subject property.

<u>Case Nos. ZA 15227, 15891, and 15973</u> – On April 13, 1966, the Zoning Administrator approved the temporary installation and operation of an enclosed hydraulic pumping unit only for Well No. 10 on the controlled drill site.

<u>Case No. ZA 15227</u> – On April 9, 1963, the Zoning Administrator approved plans for an addition to the compressor building, a new Glycol generator and absorber installation, and a clean-up tank.

<u>Case No. ZA 16218</u> – On June 15, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-82 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16185</u> – On June 15, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-81 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16184</u> – On June 7, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 153-acre District No. U-84 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16183</u> – On June 7, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 150-acre District No. U-83 for the bottoming of an exploratory oil well.

<u>Case Nos. ZA 15227 and 15937</u> – On June 1, 1962, the Zoning Administrator approved plans for the permanent production facilities, including additional gas-oil separators, a vapor compressor, tanks, gas scrubbers, and accessory buildings.

<u>Case No. ZA 16182</u> – On May 24, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-82 for the bottoming of an exploratory oil well.

<u>Case Nos. ZA 15227 and 15937</u> – On December 27, 1961, the Zoning Administrator approved plans for limited production facilities on the site such as drain and skimmer pits, gas-oil separators, relief line scrubber and well manifolding.

<u>Case No. ZA 15937</u> – On November 1, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 776-acre District No. U-36 to U-40 for the bottoming of not to exceed 16 oil wells.

<u>Case No. ZA 15912</u> – On October 2, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 158-acre District No. U-40 for the bottoming of not to exceed eight oil wells.

<u>Case No. ZA 15911</u> – On September 29, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 146-acre District No. U-39 for the bottoming of not to exceed seven oil wells.

<u>Case No. ZA 15891</u> – On August 31, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 153-acre District No. U-38 for the bottoming of not to exceed seven oil wells.

<u>Case No. ZA 15890</u> – On August 30, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-36 for the bottoming of not to exceed eight oil wells.

<u>Case No. ZA 15227</u> – On May 9, 1961, the Zoning Administrator approved plans for landscaping, camouflage for the derrick acoustical quilt, derrick, DC converter house, mud pump, and shaker house.

<u>Case No. ZA 15227</u> – On May 2, 1961, the Zoning Administrator approved plans for drilling equipment and various facilities, grading, retaining walls, masonry walls, drainage concrete structures, drilling cellar, drilling pad, and gates on the subject property.

<u>Case No. ZA 15227</u> – On April 5, 1961, the Zoning Administrator approved the use of the subject property as a controlled drilling site not to exceed five oil wells under certain prescribed conditions and methods of operation with the understanding that additional wells may later be permitted.

<u>Ordinance No. 114,701</u> – On October 6, 1959, the Los Angeles City Council passed an Ordinance amending Sections 12.04 and 13.01 of the Los Angeles Municipal Code, establishing Oil Drilling District No. U-37.

<u>Ordinance No. 187,709</u> – On December 2, 2022, the Los Angeles City Council passed an Ordinance amending Sections 12.03, 12.20,12.23, 12.24 and 13.01 of the Los Angeles Municipal Code to prohibit new oil and gas extraction and make existing extraction activities a nonconforming use in all zones.

Previous Los Angeles Fire Department (LAFD) actions on the site include:

December 22, 2021 – The LAFD conducted an inspection on December 22, 2021 and issued Notice to Comply No. DAEGYCDGP citing failure to amend the SPCC Plan within 6 months to include: 1) when the facility has had a change in design, construction, operation, or maintenance which affects the facility's discharge potential, and/or 2) to include more effective proven technology at the time of the 5-year SPCC Plan review and evaluation per HSC 6.67 25270.4.5(a); 40 CFR 1 112.5(a), 112.5(b); and failure to

describe in the SPCC plan facility security measures including: 1) how access to the oil handling, processing, and storage areas is secured and controlled, 2) how master flow

and drain valves are secured, 3) how unauthorized access to starter controls on oil pumps is prevented, 4) how out-of-service and loading/unloading connections of oil pipelines is secured, and 5) the appropriateness of security lighting to both prevent acts of vandalism and assist in the discovery of oil discharges per HSC 6.67 25270.4.5(a); 40 CFR 1 112.7(g). The operator was ordered to correct the violations within 30 days. All of the Fire Department violations were cured to the satisfaction of the Fire Department by March 2022.

December 22, 2021 – The LAFD conducted an inspection on December 22, 2021, and issued Notice to Comply No. DA3ADJRBD citing failure to electronically submit the Business Activities Page and/or Business Owner Operator Identification Page, or failure to report complete or accurate information on these forms per 19 CCR 4 2652(a)(1); HSC 6.95 25508(a)(1), 25508(a)(3); failure to electronically submit complete and accurate hazardous material inventory information for all hazardous materials on-site at or above reportable quantities per HSC 6.95 25506, 25505(a)(1), 25508(a)(1), 25508(a)(3); and failure to establish and/or electronically submit an adequate emergency response plan and procedures for a release or threatened release of a hazardous material, and to verify agricultural handler exemption per HSC 25507.1 19 CCR 4 2658 and HSC 6.95 25505(a)(3), 25508(a) (1), 25508(a)(3). The operator was ordered to correct the violations within 30 days. All of the Fire Department violations were cured to the satisfaction of the Fire Department by March 2022.

December 17, 2021 – The LAFD conducted an inspection on December 17, 2021 and issued Notice to Comply No. DAEL4TO06 citing failure to electronically submit complete and accurate hazardous material inventory information for all hazardous materials on site at or above reportable quantities per HSC 6.95 25506, 25505(a)(1), 25508(a)(1), 25508(a)(3); and failure to electronically submit a site map with all required content per HSC 6.95 25505(a)(2), 25508(a)(1), 25508(a)(3); and failure to establish and/or electronically submit an adequate emergency response plan and procedures for a release or threatened release of a hazardous material, and to verify agricultural handler exemption per HSC 25507.1 19 CCR 4 2658; HSC 6.95 25505(a)(3), 25508(a) (1), 25508(a)(3). The operator was ordered to correct the violations within 30 days. All of the Fire Department violations were cured to the satisfaction of the Fire Department by March 2022.

May 7, 2020 – The LAFD issued a Fire/Life Safety Violation Notice No. 2011456001 ordering the operator to "Comply With the Requirement as Noted" following a Fire and Life Safety Inspection on May 5, 2020, ordering the operator to abandon or reactivate a non-operating oil well (Murphy-21, LAFD#2572). LAFD signed off on June 5, 2020 after

conducting a re-inspection for code violation which found Murphy-21 now active and compliant.

Previous South Coast Air Quality Management District (SCAQMD) actions on the site include:

June 4, 2021 – SCAQMD issued Notice to Comply No. 51096, directing the operator to conduct a specific cause analysis for the June 4, 2021 confirmed order event and submit the specific case analysis report as required by Rule 1148.1(f). Resolved per SCAQMD online records portal.

February 9, 2021 - SCAQMD issued Notice of Violation (Assignment No. 1886357), citing that equipment shall not be operated within 1000 feet from the outer boundary of any K-12 schools. Resolved per SCAQMD online records portal.

January 5, 2021 – SCAQMD conducted an inspection (Assignment No. 1879454) related to SCAQMD Complaint Report regarding strong odor and fumes. Complaint was closed out.

January 27, 2021 – SCAQMD issued a Notice to Comply (Assignment No. 1886273) to provide information relating to permits to operate G61847 and G61848. Status has not yet been determined.

January 2, 2020 – SCAQMD issued Notice to Comply No. E46501, directing the operator to submit Rule 222 registration applications for two capstone microturbines per SCAQMD Rule 222. Resolved per SCAQMD online records portal.

December 18, 2019 – SCAQMD issued Notice of Violation No. 66850, citing two leaks greater than 50,000 ppm detected during district inspection in violation of SCAQMD Rule No. 1173(d)(1)(B); allowing produced gas to be vented to the atmosphere in violation of SCAQMD Rule No. 1148.1(d)(8); and failure to comply with Rule 1173 and 1148.1 in violation of SCAQMD Rule 203(b). Resolved per SCAQMD online records portal.

December 18, 2019 – SCAQMD issued Notice to Comply No. E50612 to repair leak (16,000 mph). Resolved per SCAQMD online records portal.

Previous California Geological Energy Management Division (CalGEM) (previously Department of Conservation, Division of Oil Gas and Geothermal Resources (DOGGR)) actions on the site include:

September 27, 2019 – CalGEM observed and issued Violation No. 12186681, citing that the perimeter enclosure is not comprised of fencing with at least three strands of barbed wire mounted at a 45-degree angle from the top of the fence, and indicated that the operator may submit a proposal to use other types of materials that can effectively restrict access. The violation was resolved on April 8, 2021.

PUBLIC HEARING

A Notice of Public Hearing was mailed to property owners and/or occupants residing near the subject site for which an application had been filed with the Department of City Planning. All interested parties were invited to attend the public hearing at which they could listen, ask questions, or present testimony regarding the project. Due to concerns over COVID-19, the Office of Zoning Administration Public Hearing was conducted via zoom and telephone on April 28, 2022, at approximately 9:00 a.m. The purpose of the hearing was to obtain testimony from affected and/or interested persons regarding the project. The hearing was conducted by Associate Zoning Administrator Charles J. Rausch, Jr. for Case No. ZA-1959-15227-O-PA6 and CEQA No. ENV-2021-7445-CE.

The public hearing was attended by the applicant's representative (Ted Cordova), a representative of the United Neighborhoods Neighborhood Council (Laura Meyers), approximately 105 members of the public (31 speakers, including representatives from Stand LA Coalition, Liberty Hill Foundation), and a representative of Council District 10 (Hakeem Parke-Davis).

The following testimony was provided at the hearing:

The Applicant's Representative stated the following:

- E&B Natural Resources received a letter from the ZA dated June 1, 2021 that required the filing of a Plan Approval. E&B submitted for a Plan Approval as requested. No project is being proposed.
- E&B took over the Murphy Drill Site in October 2019 from a previous operator (Sentinel Peak Resources). The site has been operating safely for decades. E&B has demonstrated an excellent compliance record since they took over as operator.
- E&B has been responsive to city questions about operations. The site is well regulated and inspected by multiple agencies including CalGEM, SCAQMD, LAFD CUPA, and others. There were no issues in a CalGEM inspection in 2021, LAFD inspection, or with other agencies. They are in compliance with existing regulations and guidelines including over 60 conditions. When issues arise from time to time, they try to fix them immediately for compliance. There have been no emergency events, spills, or alarms.
- E&B met with local community members and had good conversations before acquisition.
- E&B proposes 3 new conditions as best practices to safeguard the site and community, which are supported by both E&B and the community.
 - Annual inspections by the Petroleum Administrator and other City agencies.

- Supplemental emergency reporting to immediately notify appropriate agencies including LAFD, Petroleum Administrator, and Council District 10 of accidents or spills.
- Fenceline air monitoring system installation within 6 months of the determination letter that will provide continuous data to the Petroleum Administrator.
- E&B wants "clarification" from the ZA on Condition 43 of LAMC Section 13.01-F regarding microturbines. They have been using electric power through microturbines on a power grid that were installed by a prior operator. There are multiple references to micro-turbines in prior determination letters, and a stakeholder has inquired about it.

Those opposed to the project:

Byron Chan, Esq., on behalf of EarthJustice for Redeemer Community Partnership:

- Oil drilling is a dangerous activity using outdated methods, and they have failed to
 protect surrounding residents. EarthJustice requests to modernize the permit, in
 order to afford the same protections as those provided to Westside communities.
- Zoning Administrator has the authority under code to require that oil drilling be conducted in due regard with the surrounding district. An image shows that there is a dense residential community of 14,000 people in a half-mile radius around the drill site, including homes, schools, libraries, playgrounds, and health centers.
- Nearby residents are negatively impacted in a variety of ways, from excessive noise, noxious fumes, toxic air emissions, that are documented. Researchers have found that residents in proximity to drill sites are 2-3 times more likely to report wheezing, sore throat, eye and nose irritation symptoms, and experience overall reduction in lung function and capacity.
- The Zoning Administrator is responsible for making sure that regulatory oversight is not fragmented across different agencies. Fragmented oversight cannot meaningfully protect the community. The Zoning Administrator's authority is tied to land use to protect the health, safety, and quality of life of residents. It is the Zoning Administrator's responsibility to modernize the permit and reduce dangers of the drill site.
- Request 3 conditions be added to modernize and mitigate dangers of the operation:
 - Permanently enclose the drill site;
 - Only allow the use of electric workover rigs instead of diesel; and

- Ban burning methane gas on the drill site.
- These conditions have already been standardized at Westside drill sites. Packer Drill Site is already enclosed and disguised as an office building. Cardiff Drill Site is enclosed and disguised as a synagogue. Only electric workover rigs are allowed at both. These conditions demonstrate that the ZA prioritizes the health and safety of surrounding communities; the absence of such conditions is unacceptable. South LA residents deserve the same protections as West LA residents.
- In a 2013 Plan Approval, the Zoning Administrator addressed negative impacts at the Jefferson Drill Site one mile away that had a history of violations. The Zoning Administrator added Conditions to modernize that drill site, and he has a similar responsibility here to modernize the permit and bring protective standards to South LA.
- E&B offered "good neighbor" conditions, but they are not good neighbors. None of their provisions protect the residents. Reporting and monitoring is not adequate to hold them accountable. Modernizing the conditions is only the first step to protecting residents. At minimum, the conditions must match the Jefferson and West LA Drill Sites, and they must be enforced.
- There is documented evidence of violations. There is video evidence from February 2022 when E&B conducted maintenance work on injection wells and had tanker trucks with dangerous acids and toxic chemicals near senior housing. There is photo evidence of burning methane gas and microturbines that darken buildings, though it was never approved by the Zoning Administrator. The operator has been ignoring conditions.
- This is critical for the health, safety, and quality of life of surrounding residents that have endured dangers for too long, and should get the same protections as West LA. The Zoning Administrator began a process for equal protection in South LA by modernizing the Jefferson Drill Site, and it is their responsibility to advance the work at the Murphy Drill Site.

Laura Meyers, United Neighborhoods Neighborhood Council

- She stated that she has been engaged in multiple cases, updates, reviews of conditions on this site since 2004. They advocated to modify the Conditional Use regarding landscaping that created the rear park-like landscaped area, which undergoes annual landscape reviews with UNNC and CD10 to verify that landscaping is still there. Recently, E&B has been discussing opportunities to open it up as a park.
- The UNNC conducted 3 public meetings at the Planning and Zoning Committee and voted to support all 6 requested conditions in 2 separate motions.

- She is concerned that the organized opposition cannot embrace the other 3 conditions that the UNNC and Jefferson Park United requested for emergency planning, fenceline monitoring, and annual inspections. The conditions would bring more transparency at a minimum.
- She requested clarification on if the city previously approved microturbines. It was discussed as an alternative to CEB Flare but is unsure if it was approved.
- Should require electric workover rigs instead of diesel.
- Should require closure of the site, but someone needs to define the drill site. ZA
 determinations in the 1960s used the perimeter wall as an early definition of the drill
 site.
- The site is in the Jefferson Park HPOZ, so building a building will require design review. Photos showing commercial corridor structures won't be achievable in this community.
- The UNNC is not in a position to determine whether or not the operator is compliant.
 Operator seems willing to have discussions, but they saw conflicting information between E&B and others.
- The UNNC is working on multiple of these cases and understands that the conditions imposed in the early 1960s were removed because of outdated technology. It is important to keep up with newer, better technologies in operations, and not demand that arcane conditions be removed, but that they be replaced with contemporary conditions.

Richard Parks:

- Smelled petroleum fumes from the drill site in January 2021 and experienced intense
 headaches and respiratory impacts. Photographed five 21,000-gallon frac tanks
 being gassed. Odors were reported to SCAQMD which deemed it illegal because of
 proximity within 1,000 feet from a school. Recorded workers without PPE drenched
 in oil to CalOSHA which resulted in 4 violations and fines.
- There are no quiet hours, as they run all hours of the day. There is evidence of excessive noise from workover pumping metal for hours. They operate heavy equipment past 9 p.m. which violates operational hours.
- E&B installs high pressure gas lines and high exhaust stacks. They fire microturbines
 which blacken the buildings. They are required to minimize pollution, but they chose
 to burn methane to generate power and create pollution.

- Tanker trucks and flatbed trucks make multiple deliveries with warning labels on them
 and acid maintenance jobs. Chemicals drip off-site, and there is documented
 evidence of killing plants on the downwind corner. They photographed a truck with
 radioactive isotopes and reported it to CHP which informed them it was illegal for
 roadway use.
- The drill site will never be safe for the neighborhood and is unsafe in the hands of an irresponsible operator. E&B hired a company that was cutting corners.
- Request that they close the drill site, require electric workover rigs, and prohibit methane burning. These protections were given to white communities decades ago.

Jill Johnston, USC Peck School of Medicine, member of CalGEM experts panel:

- Study of Las Cienegas South LA oil field including Murphy Drill Site, demonstrates adverse impacts of oil drilling on air, water, and soil climate.
- Study of 750 individuals ranging from ages 10 to 85, shows evidence of poor lung capacity and lung strength for individuals living closer to a a drill site, after adjusting for freeway proximity or smoking. People who live within 1,000 meters downwind of a drill site have lower lung function than upwind and affect lung capacity similar to freeway or second-hand smoke.
- Community air monitoring network was able to distinguish air pollution between oil drilling versus freeway, and showed short term spikes in air pollution, methane, and gas.
- Study analyzed data around AllenCo site after oil production, and found reduction in toxins in air, and found that irritants and carcinogens were associated with headaches and disease and impaired lung function. Study demonstrated that active drilling can affect air quality and health.
- Scientific studies show that living closer to high density of wells leads to more health risk, and it is important to reduce exposures to neighborhoods.

Bhavna Shasunder, Associate Professor and Chair, Urban and Environmental Policy, Occidental College:

 Environmental health sciences study on oil drilling and place-based studies in South LA including the Murphy Drill Site. Studies showed that living nearby drill sites worsens lung function. There is substantive research on the proximity of drill sites and adverse impacts on human health. Murphy is close to a large population and living close to a drill site is worse for health.

- Chemicals migrate off-site due to fugitive emissions, spills, and leaks, and affects water, air, and noise. The use is toxic, carcinogenic, alters body hormone systems, results in long term developmental and reproductive harm. The air is vulnerable to toxic emissions and compromised by truck traffic. Electric rig is critical to air quality concerns.
- There is an unequal cumulative burden on environmental justice. This is the top 5% of most cumulatively burdened communities in the State of California.
- There are social economic barriers that mark daily life, and psychosocial stressors that worsen life impacts. Focus groups with residents showed that they experience stressors including lack of sufficient information of drill site and connection of agencies.
- Decisions should be grounded on scientific research. The Zoning Administrator has an important role in land use decision making, and should take scientific research into account, and consider environmental justice.

Other comments in opposition:

- The best solution is to close down the drill site and revoke the operator's conditional use permit. If the Zoning Administrator cannot close down the site, then they at minimum should require new operating conditions and extend the same protections afforded to West LA residents to enclose the site, require electric rigs, and ban methane burning on-site. They should put the health and safety of students and families ahead of oil operators.
- Would prefer the oil drilling be enclosed than pumping chemicals into the neighborhood. Aesthetics should not be prioritized over public health.
- The effect of inspections, data collection, and monitoring aren't comparable to the physical separation of an enclosure from noise, emissions, odors, and toxins that come from the drill site.
- The drill site is in the middle of a densely populated neighborhood that is primarily residential with families, children, and grandparents. There are up to 16,000 people living in a half mile radius of the site, and approximately 52,000 people within 1 kilometer. It is next to homes, health care facilities, churches, and 3 schools serving 1,300 students.
- Oil drilling is a harmful and hazardous land use. There are issues with air pollution, toxic chemicals, fumes, odors and noise, which makes it incompatible in land use with the residential neighborhood that existed before the drill site. Neighbors and oil drilling don't mix. It has a profound impact on the neighborhood even with regulatory controls and a good operator.

- The drill site affects quality of life for nearby residents. Children ride their bikes and skateboards, parents push strollers, and families exercise outdoors and walk around the neighborhood, but they are being exposed to pollution. Residents shouldn't have to suffer or live in fear of a catastrophic event.
- The drill site has been in operation for decades, and there are a multitude of documents which show violations and complaints. There is a persistent history of violations and disregard of the rules that were meant to protect health and safety. Over a hundred Public Record Act requests have been submitted to regulatory agencies which reveals 29 CalGEM violations since E&B began operations, 8 SCAQMD notices of violations and corrections, 9 CalOSHA violations, 1 LAFD violation for non-operating wells, and 10 LAFD CUPA notices of violations or notices to comply. In January 2021, they began to gas tanks and flood the neighborhood with noxious fumes. E&B has been served violations, citations, and fines from multiple regulatory agencies. E&B has disregarded operating conditions.
- There is documented evidence and studies of the long-term health impacts of oil drilling. Literature confirms the hazards of oil drilling, chemicals, and emissions used in extractions. Studies show connections with cancer, diabetes, obesity, birth defects, infertility, low birth rate, miscarriages, spontaneous abortions, nose bleeds, headaches, asthma, and other respiratory illnesses. Oil drilling releases toxic chemicals, carcinogens, and endocrine disrupters.
- A published report in 2015 called "Drilling Down" calls attention to hazards associated with urban drilling, and references experiences of neighbors noticing smells and odors with leaks that exceeded the allowable limit.
- There are multiple schools serving over 2,000 students that are in close proximity to the drill site. Within 100 feet there are over 1,300 students that at are schools that are open five days a week. There are various preschools, playgrounds, and recreation centers in the area. Students are legally required to be at school but are being exposed to toxins and health impairments. Children near drill sites get unexplained nosebleeds at school. Children's bodies are more susceptible to pollution.
- Los Angeles County Department of Public Health reports 60,000 students in LAUSD with asthma. School nurses have to go through district nursing asthma programs to help students control asthma and prevent bad outcomes during asthma attacks at school. Asthma is the leading cause of school absenteeism which affects their education. There is usually a school nurse or certified health professional on-site only one day a week.
- There have been numerous miscarriages within a one-mile radius of the site. Active drilling sites involve acids and chemicals that are endocrine disrupters that harm

reproductive health of both men and women and can be passed on to future generations.

- Individuals that recently move into the area experience new health issues even if they
 were previously healthy. Residents nearby experience decreased lung function,
 asthma, wheezing, and other health impacts. Children are diagnosed with cancer.
 Individuals experience seizures that could lead to death. It poses a risk to neighbors.
- Neighbors can't leave their windows open as they experience chronic headaches due to chemicals and odors. Neighbors wake up with vicious headaches and smell strong odors of burning plastic or weird soap smells in the middle of night. They have to shut the windows if they can't afford air purifiers or air conditioning. There is noise and humming overnight. Neighbors have to wear ear plugs at night because of the constant noise. The noise and odors force neighbors to close their windows and close themselves off from their neighbors which causes deep trauma.
- There are maps showing underground piping that go underneath homes and connect the Murphy, Jefferson, and AllenCo Drill Sites.
- E&B has disclosed that they use (chemcor odor jasmine) which is an odor counteractant that is sprayed in open air to mask toxic explosive gases. It is additional chemical. Safety data sheet shows it contains endocrine disrupter and causes birth defects and reproductive harm. It is being sprayed in the open air near homes, medical facilities, and schools. E&B is covering up one problem with another that causes long-term impacts on children.
- LA City Council and LA County Board of supervisors voted to phase out and prohibit new drilling, but the neighbors still experience the dangers of oil drilling due to violations at the site. Students and families can't wait a year for the drill site to close or 20 years for the city ordinance.
- CalGEM regulates oil extraction and moved in 2021 to create a 3,200-foot health and safety buffer around oil drills, but Murphy is 40 feet from the nearest home.
- A recent peer-reviewed study of 1,000 residents within 1,000 meters of Murphy and AllenCo showed substantial reduction in lung health and function, which was equivalent to daily exposure to second-hand smoke or living next to a busy freeway. Research notes that the harms appear to be permanent. This harms the health of children, limiting their potential, making them more vulnerable to debilitating respiratory diseases like COVID and asthma.
- It is a toxic facility and nuisance that poses health risks in a community of color and lower- and middle-income households. It is environmental racism. Statistics show that black and brown communities have been impacted by fossil fuels and are

discriminated against as they don't have the same protections as more affluent whiter communities on the Westside.

- These are small reasonable steps to provide protections that have already been granted to wealthier whiter communities on the Westside. This is an opportunity to protect, preserve the welfare of, and end discriminatory disparate practices against frontline communities. Every possible measure needs to be taken.
- The City has recognized that monitoring doesn't afford enough protection, as drill sites in Westside communities were enclosed and mandated to use workover rigs and banned from methane burning decades ago.
- South LA has long been targeted for undesirable land uses and underinvestment. Residents have been excluded from environmental benefits that ensure safety, health, and opportunities from across the city.
- Los Angeles has been a progressive city, and we should move to the 21st Century in our actions. Oil drilling is an outdated and antiquated land use. Fossil fuels have been obsolete for decades. Electric cars are safer, less noisy, and better for the environment. Allowing oil drilling will be incompatible with the direction of the city.
- The drill site has a piece of land that is landscaped nicely with trees, which should be made available to the public because there is a lack of green space in the neighborhood.
- Many families moved here because of the sense of community, open space, but did
 not know about the drill site. E&B is not a responsible operator. Most of it happens
 behind closed doors. Neighbors receive no notice of the activity. There is lack of
 transparent communication with the operator, and no warning or information from the
 operator when tanker trucks arrive.
- Only 20-30 people spoke at the public hearing, but there are 13,000 people living within 5 blocks of the site that are being poisoned every day. Some families could not join the meeting but are the most impacted. Some can't take time off from their jobs, don't have internet or computer access, and don't have the choice of moving away.
- The agreement between Union Oil and Catholic Archdiocese in the 1950s to operate oil at the site has affected successive generations.
- The City has not been addressing violations. LAFD has not enforced fire codes or mandates that idle wells be plugged. LADBS has approved electric permits for large gas-burning microturbines. OZA has not acted on illegal well conversions and installation of unauthorized gas generators. LAFD CUPA has not addressed concerns of personnel or maintenance staff leaving.

General comments/questions:

- Operator's proposed conditions are modernized and being applied for all urban sites.
 Annual inspections are more modern than what has been done in the past via desk inspections. Supplemental emergency notifications to the city are very progressive and modern and has been encouraged and supported by the community. Real-time fence-line monitoring with data that is shared with the community creates scientific data to understand and shared on a state-of-the-art platform transparently for the community. They seem modern and well beyond what's in place in the city.
- The site is enclosed. I would be alarmed to see a multi-story wall that would reflect road noise into the community and shade neighboring properties.
- There are allegations of violations at the CD10 and UNNC meetings, but documentation of such violations has not been established.
- The current operator brought multiple documents responding to the city and state agencies showing they are in good standing and meet the conditions.
- Is there a way to get access to the whole case to get background on previous decisions and conditions?
- Is it possible to get air monitoring device data publicly available? There are AQI indicators scattered across Los Angeles, so it will be useful to get empirical data to compare with other places in the city.
- What is their reasoning for acquiring the site with all the issues at play? Is it based on price/cost analysis, or do they factor in other considerations like environmental? Is E&B confident enough that this it's a clean facility that they would add publicly available data real-time from air quality monitors?

Council District 10 representative (Hakeem Parke-Davis) stated the following:

- The site has a storied history since first operations in 1961 by Union Oil. There are approximately 23 active wells, 8 chemical/water injection sites, 1 pressure injection well.
- It is an urban oil drilling facility surrounded by housing, religious institutions, schools, and parks.

- Community groups have reached out to the Council Office and advocated for monitoring, due to health complications with fugitive odors, noise impacts from alarms, and unmanned operations.
- E&B is a reputable operator and many violations and missteps have been corrected, but more can be done to ensure best practices and operating protocols are put in place. There should be a full study for compliance with PA4 conditions, as it seems that many are not in compliance.
- Request that the Zoning Administrator mirror the conditions requested by constituents, legal representatives, and E&B, including:
 - Enhanced air quality monitoring system. Fence-line monitoring should be extended to 500 feet at bare minimum with remote monitoring data that is publicly available for fugitive gases and other chemical monitoring to be readily available to the Zoning Administrator, Fire Department, and Office of Petroleum Administration.
 - Complete ban of burning methane on the site. E&B operates many drill sites across the city, some of which are enclosed or use electric workover rigs, and they should make the same improvements here. It's within their feasibility to modernize operations and enhance protection of the surrounding community that is continuing to densify.
 - Wells and storage tanks should be in an enclosed building with enhanced vacuum filtration. It should be covered since diesel fuel is affecting neighbors.
- Zoning Administrator should take into consideration the type and amount of infusion chemicals being used to simulate production. The Zoning Administrator and operator should work with the Fire Department to identify all operational wells and nonoperational wells in order to cap those non-functioning wells.

Applicant statements in rebuttal:

- E&B's intent is to contribute to the city and community success. Public comments and testimony will help them to do that.
- California has the most stringent regulatory framework. E&B will be in a good position as a good neighbor with the existing conditions plus 3 proposed conditions.

The Associate Zoning Administrator placed the case under advisement for the public record to remain open for an additional 30 days, until May 31, 2022.

CORRESPONDENCE

March 11, 2020

Letter from EarthJustice regarding abandonment of idle oil wells at the Murphy Drill Site

June 25, 2020

Letter from EarthJustice inquiring into status of Murphy Well Nos. 8 and 16, and inquiring into work observed at the Murphy Site

April 30, 2021

Letter from Redeemer Community Partnership regarding violations and nuisance activities including a new gas meter set assembly, hours of operation, graffiti, landscaping, good repair, neighborhood traffic, noise, odor complaints, good oilfield practice, new regulatory action, acid maintenance, and new research.

October 15, 2021

Letter from Redeemer Community Partnership regarding operator's failure to maintain a 24/7 on-site security and emergency response presence, use of an unpermitted truck to transport and deploy radioactive isotopes, failures to keep site equipment permitted, use of a health-harming odor counteractant, and construction of high-pressure fossil gas infrastructure to import and burn methane.

October 29, 2021

Letter from Redeemer Community Partnership regarding operations leaving Murphy Drill Site unattended.

November 9, 2021

Letter from Redeemer Community Partnership regarding California Department of Industrial Relations Division of Occupational Safety and Health inspection of Murphy Drill Site.

December 23, 2021

Letter from Redeemer Community Partnership regarding operator's failure to implement its Spill Prevention Control & Countermeasure Plan by leaving the Murphy Drill Site without 24-hour personnel coverage for extended periods.

March 1, 2022

Letter from Empowerment Congress North Area Development Council (NANDC) indicating the NANDC Board voted to support the modernization of the Murphy Drill Site's operating conditions to health protections including enclosure of the facility, use of electric workover rigs, and prohibition on burning gas on-site either for power generation or flaring.

November 15, 2022

A licensed petroleum engineer wrote in support of efforts to modernize the Murphy Drill Site's operating conditions. You have heard calls from the community and from the local Council Office requesting the modernization of the Murphy Drill Sites operating conditions including enclosing the facility by soundproofing the workover rig and raising the height of the

facility's walls, requiring the use of an electric workover rig and powering the facility with an electric utility connection. These operating conditions are entirely feasible and would be health and safety protective for adjacent resident, students and patients. The West Pico Boulevard Drill Site has operated under these conditions for more than 20 years since they were approved by the Zoning Administrator. The city also imposed these conditions on the Jefferson Drill Site in 2017. These operating conditions would reduce the community's exposure to noise, fumes, odors, light, and other factors of nuisance and annoyance. The letter writer (Anneliese Anderle, P.E.) retired from the California Division of Oil, Gas and Geothermal Resources in 2014.

The City's Petroleum Administrator, Erica Blyther, submitted a formal letter of correspondence commenting on potential new conditions proposed by the operator and proposed by community organizations for ZA 1959-15227 (O) (PA6). The Petroleum Administrator's formal letter, dated December 5, 2022, and addressed to the Associate Zoning Administrator, is summarized as follows:

- 1. Third-party annual inspections: The Petroleum Administrator commented on a proposed condition requiring the operator to hire a third-party consultant to perform an annual, on-site inspection for the Murphy Drill Site. They highlighted that a similar condition is already in place at another operation, the Rancho Park Drill Site. As a result, this measure is a feasible measure to add to the overall conditions of approval for the Murphy Drill Site. The operator would need to hire a consultant to perform the on-site inspection and also provide an overview of all compliance records and permits from the various government agencies that regulate the drill site. The Petroleum Administrator included in her correspondence a sample copy of an annual report submission from the Rancho Park Drill Site as required by a condition that requests the annual third-party on-site inspection.
- 2. Air monitoring measures: The Petroleum Administrator commented on the proposed inclusion of a condition of approval concerning air quality monitoring at the Murphy Drill Site. For this subject matter, the current Petroleum Administrator cited an Oil and Gas Health Report prepared by a previous City Petroleum Administrator, Uduak-Ntuk Joe, that is dated July 25, 2019. The current Petroleum Administrator highlighted that the 2019 report has extensive descriptions of how the local air district, the South Coast Air Quality Management District, regulates air quality for various operations which include oil and gas extraction and production facilities such as the Murphy Drill Site. Furthermore, the Petroleum Administrator outlines various recommendations and suggested parameters if the operator will be required to install a fenceline monitoring system. The recommendations are to clearly identify which vapors, elements, and pollutants the

monitoring system should be able to capture and/or measure. They also recommend for any proposed condition of approval to identify whether there will be an automatic alarm system in place should the monitoring system record a significant level of a particulate element(s) and also recommend that the operator use specific types of equipment in their monitoring system. The recommended equipment the Petroleum Administrator references is meant to identify specific elements and vapors such as volatile organic compounds (VOCs) and hydrogen sulfide, among other elements.

- 3. Use of microturbines: The Petroleum Administrator shared that the South Coast Air Quality Management District regulates emissions from methane burning operations such as the microturbines found at the Murphy Drill Site. The air quality district permitting process for microturbines is separate from any City or higher state review. The Petroleum Administrator further commented that microturbines assist in offsetting energy needs associated with the drill site facility operations. She points out that there could be improvements in the capture and collection of emissions associated with operating microturbines. Microturbines are a source of emissions and vapors during normal operations. As a result, the Petroleum Administrator recommended that if the facility were to be permitted to use microturbines that the City Planning department can explore, requiring the operator to install a vapor recovery system, installation of low-bleed or zero-bleed pneumatic devices, and the urgent replacement of leaking equipment. Low-bleed or zero-bleed pneumatic devices are automated equipment devices or instruments that are used to maintain a certain pressure or closure of valves so that they prevent the release of gases or liquids.
- 4. Workover maintenance rigs: The Petroleum Administrator mentioned that the use of workover rigs is not entirely feasible at this time. She made a distinction that electric drilling rigs are available and used as a workover rig for oil well sites. At this time, however, electric workover rigs meant for rework and well abandonment projects are not commercially available in the United States. As a result, the Petroleum Administrator recommended that the Associate Zoning Administrator consider equipment and engine requirements for the Murphy Drill Site. In this case, the condition would require the drill site's diesel-powered workover rig to meet distinct technical specifications. The Petroleum Administrator recommended, as identified in the July 2019 Oil and Gas Health Report (Page 82), specific tiers for all diesel powered equipment and engines that would be a California Air Resources Board (CARB) verified engine (CARB Tier 3) and would have an engine equivalent to a vehicle (or equipment) that uses an Environmental Protection Agency (EPA) Tier 4 Engine Standards.
- 5. Operator's use of maintenance acidizing: The Petroleum Administrator provided key sources and literature surrounding how maintenance acidizing projects are regulated by

both the California Geologic Energy Management Division and by the South Coast Air Quality Management District. They also highlighted a research article that outlines that projects such as maintenance acidizing will become a project that consistently occurs at drill sites. One particular regulatory provision that the Petroleum Administrator highlighted was Rule 1148.2 that is facilitated and enforced by the South Coast Air Quality Management Districts. The local air district's rule requires that operators report all maintenance acidizing operations prior to beginning work, but the current Rule 1148.2 policy exempts all injection/waterflood wells. The Petroleum Administrator noted that in coming months, the South Coast Air Quality Management District will resolve that exemption by requiring operators to report all maintenance acidizing activities regardless of the well type which would include injection/waterflood wells. As a result, there would be increased transparency of when maintenance acidizing activities occur at operations such as the Murphy Drill Site.

For the full letter of correspondence from the City Petroleum Administrator, a full printed copy is enclosed in the physical case file for ZA 1959-15227 (O) (PA6).

REVIEW OF COMPLIANCE WITH CONDITIONS

The applicant filed for a Plan Approval in compliance with Condition No. 14 at the request of the Department of City Planning. The Zoning Administrator reviewed the whole of the record, including public testimony and correspondence, and found that the operator of the Murphy Drill Site was compliant with 23 Conditions of Approval, was partially in compliance with five (5) Conditions of Approval and in violation of two (2) Conditions of Approval. The applicant filed for a Plan Approval in compliance with Condition No. 14.

The following identifies the degree of compliance with the conditions of Case No. ZA1959-15227-O-PA6 based upon testimony at the public hearing, planning staff's visit to the site, and information in the case file:

[Note: The Zoning Administrator's response to each condition is in **Bold Italics**.]

 The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-I dated March 27, 2007.

COMMENT: In compliance with the plot plans.

2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:

<u>COMMENT</u>: In compliance, except as noted below in the Comments on each Condition. Condition No. 43 from Sub-section 13.01-F was eliminated from the Conditions of Approval by Plan Approval No. 4.

3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3,4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail.

<u>COMMENT</u>: In compliance with 13.01-E,2. See subsection F items outlined below.

LAMC 13.01-F Condition No. 3: That the operator of any well or wells in the district shall post in the Office of Zoning Administration a \$5,000 corporate surety bond conditioned upon the faithful performance of all provisions of this article and any conditions prescribed by a Zoning Administrator. No extension of time that may be granted by a Zoning Administrator or change of specifications or requirements that may be approved or required by him or her or by any other officer or department of the City, or other alteration, modification or waiver affecting any of the obligations of the grantee made by any City authority shall be deemed to exonerate either the grantee or the surety on any bond posted as required in this article.

<u>COMMENT</u>: In compliance. The wells were drilled many years ago in compliance with this requirement.

<u>LAMC 13.01-F Condition No. 4</u>: That the operators shall remove the derrick from each well within thirty (30) days after the drilling of said well has been completed, and thereafter, when necessary, such completed wells shall be serviced by portable derricks.

<u>COMMENT</u>: In compliance. No drilling is currently ongoing at the site. For servicing, portable production rigs are used.

<u>LAMC 13.01-F Condition No. 5</u>: That the drilling site shall be fenced or landscaped as prescribed by the Zoning Administrator.

<u>COMMENT</u>: In compliance. The site is fenced and landscaped and inspected annually.

LAMC 13.01-F Condition No. 8: That adequate fire-fighting apparatus and supplies, approved by the Fire Department, shall be maintained on the drilling site at all times during drilling and production operations.

<u>COMMENT</u>: In compliance. The Fire Department approved the site's fire systems, and regular inspections and testing are performed in compliance with the Chief's Regulation 4.

<u>LAMC 13.01-F Condition No. 9</u>: That no refining process or any process for the extraction of products from natural gas shall be carried on at a drilling site.

<u>COMMENT</u>: In compliance. The facility does not perform refining of natural gas products. It does, however, use natural gas which is a by- product from the

extraction of oil from the on-site wells to power a co-generation microgenerator facility for power on the site and to help clean natural gas for sale to the Southern California Gas Company. As much as one-third of the power used on the site is generated by this micro-generator facility. The Conditions contained in Section 13.01-F are not mandatory on all drilling sites. They MAY be imposed by the Zoning Administrator in determining the drilling site requirements. In this particular case, the prohibition against on-site power generation contained in Condition 43 was imposed in the original Determination detailing the additional requirements. In Plan Approval No. 4 at the applicant's request, this Condition was eliminated, but there was no outright permission to grant the use of microgenerators on the site. Thus, in this case, because there was not an outright prohibition, the use of microgenerators was permitted on the site. The applicant did request, as a part of the application for this Plan Approval, clarification of the use of microgenerators on the site. The Zoning Administrator has clarified the use of microgenerators on the site in New Condition No. 25. The Zoning Administrator did require that any micro-generators be included within the containment structure that has been required to enclose the production site with an enhanced vapor recovery system so as to contain any odors which have been a complaint in the community and any noise so generated. Also prohibited was the use of any natural gas pumped to the site from any other drill sites in the area or from any other off-site source. Only natural gas produced on the site as a byproduct of oil resource recovery may be used in the micro-turbines.

LAMC 13.01-F Condition No. 17: That any person requesting a determination by the Zoning Administrator prescribing the conditions under which oil drilling and production operations shall be conducted as provided in Subsection H, shall agree in writing on behalf of him or herself and his or her successors or assigns, to be bound by all of the terms and conditions of this article and any conditions prescribed by written determination by the Zoning Administrator; provided, however, that the agreement in writing shall not be construed to prevent the applicant or his or her successors or assigns from applying at any time for amendments pursuant to this Article or to the conditions prescribed by the Zoning Administrator, or from applying for the creation of a new district or an extension of time for drilling or production operations.

<u>COMMENT</u>: In compliance. E&B Natural Resources has agreed to be bound by the terms and conditions of the Zoning Administrator's approvals.

LAMC 13.01-F Condition No. 18: That all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe. Proven technological improvements in

methods of production shall be adopted as they, from time to time, become available if capable of reducing factors of nuisance or annoyance.

COMMENT: NOT IN COMPLIANCE. Though the site is inspected regularly by several agencies including by the SCAQMD, LA City Fire CUPA, and CalGEM, records show several potential violations with Condition 18. 19 phone calls that were made to SCAQMD from December 2020 to June 2021 complaining of odors and strong tar/oil smells from the site. Dates of potential violation include December 11, 2020; January 5, 2021; February 12 and 13, 2021; March 19, 22, 24, and 31, 2021; and June 4, 2021. On June 6, 2021, the SCAQMD inspector issued a Notice to Comply No. E51096 regarding more than six complaints about nuisance odors. On October 15, 2021, staff received photographic evidence from a constituent about a chemical usage disclosure from the operator's PA6 application. The chemical's composition (Odor Control Jasmine) has elements that are toxic. While the applicant has stated that any violations have been resolved with the subject issuing authority, such violations show non-compliance with the Conditions of Approval.

<u>LAMC 13.01-F Condition No. 19</u>: Wells which are placed upon the pump shall be pumped by electricity with the most modern and latest type of pumping units of a height of not more than sixteen (16) feet. All permanent equipment shall be painted and kept in neat condition. All production operations shall be as free from noise as possible with modern oil operations.

<u>COMMENT</u>: In compliance. Well pumps are run by electricity though complaints have been registered about noise when workover rigs and other maintenance equipment are in operation. These are controlled by separate Conditions or by new Conditions.

<u>LAMC 13.01-F Condition No. 22</u>: Upon the completion of the drilling of a well the premises shall be placed in a clean condition and shall be landscaped with planting of shrubbery so as to screen from public view as far as possible, the tanks and other permanent equipment, such landscaping and shrubbery to be kept in good condition.

COMMENT: In compliance. The site uses a directional drilled pattern and has no permanent structures that are visible from adjacent public rights-of-way. The front of the site adjacent to West Adams Boulevard is landscaped with grass in-front of a green wall approximately 10 feet in height which blocks the view of the site except for a number of pipes which are above the level of the fence but hard to view. The fence also has a number of trees and low hedges placed in-front of the wall. The rear portion of the site has been landscaped and maintained as green space though the public, at the moment, is not permitted onto the site. There is also landscaping including trees, hedges and a required wrought iron fence and gate adjacent to the parking area adjacent to the drilling site with access from West Adams. The required concrete block wall for screening is present on the easterly property line and said fence obeys all fencing provisions of the R4 Zone. The westerly property line is enclosed

by a concrete block wall with a wooden cap to conceal the area from the adjacent properties to the west of the site.

<u>LAMC 13.01-F Condition No. 23</u>: That not more than two wells may be drilled in each city block of the drilling district and bottomed under that block. However, at the discretion of the Zoning Administrator, surface operations for additional wells may be permitted in each of the blocks where each additional well is to be directionally drilled and bottomed under an adjacent block now or hereafter established in an oil drilling district in lieu of a well drilled on the adjacent block and under a spacing program which will result in not exceeding two wells bottomed under each block.

COMMENT: In compliance.

LAMC 13.01-F Condition No. 33: That drilling operations shall be commenced within 90 days from the effective date the written determination is made by the Zoning Administrator or Area Planning Commission, or within any additional period as the Zoning Administrator may, for good cause, allow and thereafter shall be prosecuted diligently to completion or else abandoned strictly as required by law and the premises restored to their original condition as nearly as practicable as can be done. If a producing well is not secured within eight months, the well shall be abandoned and the premises restored to its original condition, as nearly as practicable as can be done. The Zoning Administrator, for good cause, shall allow additional time for the completion of the well.

<u>COMMENT</u>: In compliance. The wells were drilled many years ago in compliance with this requirement. Subsequently drilled wells permitted by the Zoning Administrator after the original approval of the drilling site have also been completed within the 90-day limit.

<u>LAMC 13.01-F Condition No. 37</u>: All waste substances such as drilling muds, oil, brine or acids produced or used in connection with oil drilling operations or oil production shall be retained in water–tight receptors from which they may he piped or hauled for terminal disposal in a dumping area specifically approved for such disposal by the Los Angeles Regional Water Pollution Control Board No. 4.

<u>COMMENT</u>: In compliance. The site is in compliance with all applicable environmental requirements for disposal of waste substances used in connection with oil production.

<u>LAMC 13.01-F Condition No. 40</u>: The Department of Water and Power of the City of Los Angeles shall be permitted to review and inspect methods used in the drilling and producing operations and in the disposal of waste and shall have the right to require changes necessary for the full protection of the public water supply.

<u>COMMENT</u>: In compliance. The Department of Water and Power may review and inspect the site as needed.

<u>LAMC 13.01-F Condition No. 50</u>: That no earthen sumps shall be used.

<u>COMMENT</u>: In compliance. There are no earthen sumps on location.

<u>LAMC 13.01-F Condition No. 54</u>: That there shall be no tanks or other facilities for the storage of oil erected or maintained on the premises and that all oil products shall be transported from the drilling site by means of an underground pipeline connected directly with the production pump without venting products to the atmospheric pressure at the production site.

COMMENT: Partially in compliance. The site transports oil products by means of underground pipelines, and gas on the site is piped to the local utility's onsite equipment, injected into the well field or used in the microturbines for energy production. As previously mentioned, complaints have been raised in the Community regarding smells from the burning of methane products in the microturbines. Condition No. 23-d requires that an enhanced vapor recovery system be installed around the top of the containment structure to neutralize any odors produced by the micro-turbines which are also currently operated within an enclosed building.

<u>LAMC 13.01-F Condition No. 58</u>: That no sign shall be constructed, erected, maintained or placed on the premises or any part thereof, except those required by law or ordinance to be displayed in connection with the drilling or maintenance of the well.

<u>COMMENT</u>: In compliance. The informational signs placed on site are in compliance with applicable legal requirements or Conditions of Approval of this case.

<u>LAMC 13.01-F Condition No. 59</u>: That suitable and adequate sanitary toilet and washing facilities shall be installed and maintained in a clean and sanitary condition at all times.

<u>COMMENT</u>: In compliance. The site's toilet and washing facilities are properly maintained.

- 4. Landscaping of the site shall be maintained as follows:
 - a. With respect to that portion of the drill site south of the cement block wall and facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall; (3) plant Ficus or climbing ivy, or similar plant-life (grown to 5 gallon size containers) along the South facing facility wall; (4) spread wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and put sprinklers on timers to insure proper maintenance of the grassy area; (7) install new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the East fence by painting it; (9) install meandering dry creek bed

hardscape on the South parcel, utilizing recycled broken concrete foundations from Drill Site facilities (final placement, configuration and length dependent on pipeline easement and other site facility considerations); (10) work with 10th Council District office and Archdiocese to allow future public access.

COMMENT: In compliance. The landscaping was largely in place before E&B Natural Resources became the operator. E&B recently painted a fence along 27th Ave. E&B is in communication with Council District 10, the United Neighborhoods of the Historic Arlington Heights, West Adams, and Jefferson Park Communities Neighborhood Council (UNNC) and the Archdiocese related to public access. The operator stated, in reference to public access, "The pandemic slowed the operator down, but they remain optimistic that there is a path forward."

b. With respect to that portion of the drill site East of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install new/improved cyclone fencing along Adams, including raising the East facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on East wall; (4) improve wall on West side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install parking lot lighting; (7) plant ficus/climbing ivy, or similar along East and West walls to enhance its appearance (using 5 gallon size container plantings); (8) install drip irrigation on new plantings; (9) install sprinkler timers.

<u>COMMENT</u>: In compliance. Majority done before E&B was operator.

c. A yearly review of the landscaping shall be conducted by the applicant with the Council District Office and the United Neighborhoods Neighborhood Council.

<u>COMMENT</u>: In compliance. This year's (2022) review will be done towards the end of year.

5. That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drill site, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional

parking for employees and overflow parking for The Athletic Club. Parking on the East side of the drill-site, outside of the enclosed area shall not be used for heavy trucking operations or staging or storage of any. All such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities.

<u>COMMENT</u>: In partial compliance. Complaints were raised in communications to the Department about vehicles for the installation of infrastructure for the production site accessing the entire site from 27th Street instead of from West Adams Boulevard. Though Condition No. 5 limits access to the drilling site to West Adams Boulevard, there is no current specific prohibition for access from the site from 27th Street. This has been rectified by a modification to Condition No. 5 to prohibit access to the site from 27th Street except for landscaping maintenance to the southerly portion of the site.

6. As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted 24 hours a day, seven days a week, no work shall be conducted on the property between the hours of 7:00 p.m. of one day and 7:00 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7:00 p.m. of and 7:00 a.m., the applicant shall operate its facility in "Quiet Mode". "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency purposes only. The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergent situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversized/overweight load) truck deliveries shall be permitted from 7:00 a.m. to 9:30 p.m., on week-days, none during weekends and holidays. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parked within the facility is scheduled to leave the facility within 15 minutes. The maximum number of heavy

truck deliveries allowed for moving the drilling rig on and off the premises shall not exceed 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the number of "permitted" truck deliveries per day (week days only, none on week-ends and holidays) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-ends and holidays only) shall be limited to a maximum of five.

The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or redrilling of wells.

<u>COMMENT</u>: Partially in compliance. Operator did experience one emergent situation, during production operations, where they needed to work past 7pm slightly. Operator did communicate this to the Planning Department as a courtesy that same day. Internally their goal is 8am to 6pm. They did have one crane truck show up 15 minutes prior to 7am for production operations. They did not begin crane operations until after 7am.

Non-Compliance with hours of operation: Constituent raised concern about loud evening work on March 26, 2021, and operator acknowledged in email that well maintenance activity on that date went beyond the permitted time.

- 7. The applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:
 - a. Erect a 30-foot high blanket sound wall on the west side of the drilling rig at the Murphy drilling site (west side property line), with the layout and wall lengths determined after the drilling rig and equipment positioning has been established.
 - b. Install the sound wall as close as possible to the drilling rig and associated equipment with no gaps or openings in the walls. The sound wall material should have a minimum STC rating of 25. Sound wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up. The sound wall shall not be maintained for more than 120 continuous days. Should unforeseeable mechanical problems warrant the maintenance of the sound wall for a period exceeding the 120 continuous days, the applicant shall notify the Office of Zoning Administration and Council Office, and inform the owners and occupants of surrounding property of the reasons for and estimated duration of the delay in the dismantlement of the wall.

<u>COMMENT</u>: In compliance. No drilling has occurred recently or under this operator's control

c. (Condition 7.b was deleted in Case No. ZA-1959-15227-O-PA4)

COMMENT: Not applicable.

d. <u>MODIFIED</u>: To reduce sound from the drilling rigs sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west <u>and east</u> property lines.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site, but Section 12.23 of the LAMC prohibits new drilling and redrilling in the City. The Condition remains as Ordinance 187,709 is being litigated by among others the operator of the site. The Condition was modified to take into account that the property to the east is now a residential complex.

e. The stabbing platform on the rigs derrick shall be enclosed with STC-25 rated acoustical blankets.

COMMENT: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site.

f. To mitigate the drilling rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site.

g. Position all ancillary noise generation equipment away from the nearest critical receptors when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site. In addition, Condition No. 23, requires that all production machinery be placed within a structure to reduce noise and odor impacts.

h. Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site.

i. Implement Drill Site "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, Condition No 7 has been modified to require sound level measurement and testing to be completed as the rig starts up

operations. To verify and document sound level compliance, continuous sound level measurement and monitoring shall be considered during all drilling activity.

j. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling activity To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling activity.

<u>COMMENT</u>: In compliance as no drilling has been performed. Will be required when any drilling or re-drilling occurs on the site. As stated above, the Condition has been modified to make mandatory during any re-drilling or workover operations.

8. Drilling operations may be conducted seven days per week on a 24-hour basis, including any nationally recognized holiday. Drilling operations for the first three wells identified in the grant clause of the instant determination shall be completed within 36 months from the effective date of this determination. The drilling for the following nine wells as hereby authorized shall be subject to a review of plans by the Zoning Administrator, without a public hearing, for the purpose of updating the record with the well identification and path. None of the wells hereby authorized shall be engaged in a production mode until the vault is complete.

The first three new wells may be drilled prior to the construction of the new well (vault) cellar using temporary cellar rings in substantial compliance with the "Ring Cellar Schematic" and the "Construction Plan: Well Cellar Rings" attached hereto (Exhibit "B"), subject to any permitting requirement of the Department of Building and Safety and the CalGEM.

Once these three wells have been completed, they will be shut so that the permanent well cellar can be constructed in compliance with plans approved by this grant (Exhibit "A"). During construction of the permanent well cellar, the temporary cellar rings shall be removed, and the cellars shall be incorporated in the permanent well cellar.

<u>COMMENT</u>: In compliance. No drilling of new wells has occurred under this operator. This condition, however, was deleted in ZA-1959-15227 (O)(PA6).

9. The applicant shall permanently post at all of the site's entry gates a direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem. A call log shall be maintained including date and time of call and subject, and date and time of response and action. Said log shall be made available at the request of the Office of Zoning Administration. <u>COMMENT</u>: In compliance. The Condition has been modified and updated to current Department standards for problem resolution.

10. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily.

COMMENT: In compliance.

11. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.

<u>COMMENT</u>: Partially in Compliance: From time to time, the operator does spot graffiti and clean it up immediately. However, and fortunately, it is a rare occurrence to see at the property. Operator had one incident – the words "20s" graffiti on the east side fence in the empty parking area and the operator did not catch it for some time. Operator indicates they did their best to catch any and all graffiti and have increased our protocols and training in this area.

12. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.

<u>COMMENT</u>: Not in compliance. The operator proposed "good neighbor" conditions - including annual inspections and air monitoring. Additional Conditions beyond what the applicant has requested have been added to the Determination to bring into compliance with this Condition addressing enclosure, noise and odor control and access to site.

13. All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area.

COMMENT: In compliance.

14. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how

compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

<u>COMMENT</u>: In process. E&B indicates they welcome a review of compliance with the Office of Zoning Administration and have applied for the same.

FINDINGS

After thorough consideration of the statements contained in the application, the plans submitted therewith, the statements made at the public hearing on April 28, 2022, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

1. The site, known as the Murphy Drill Site, is located on a slightly sloping, irregular shaped property fronting on the south side of West Adams Boulevard, between Cimarron Street to the west and Manhattan Place to the east. The site overlays a portion of the Las Cienegas Oil Field. The property has dimensions of 323 feet along the south side of West Adams Boulevard, 165 feet along the north side of 27th Street and a non-uniform depth of 588 feet and an overall square footage of 3.25 acres. The Drill-site is located in the [Q]R4-1-HPOZ Zone and is within Urbanized Oil Drilling District U-37 as established in 1959 by Ordinance No. 114,701. The portion of the drill-site containing the existing drilling and production equipment is enclosed with a concrete block wall that is set back from West Adams Boulevard by approximately 25 feet. The portion of the drill-site within the block wall is accessed through one of two gates and driveways from West Adams Boulevard. The easterly portion of the drill-site, located outside of the block wall, is utilized for parking and has a separate driveway off of West Adams. The southerly portion of the drill-site fronts along 27th Street and is enclosed by a 6-foot wrought iron fence. This southerly area is landscaped and can be accessed from the drilling and production area enclosed by the block wall via an existing gate. Vehicular access to the landscaped area is through an existing driveway on 27th Street. Set back approximately 270 feet from 27th Street is the southerly line of the block wall which encloses the drilling machinery. The area to the south of the block wall is landscaped with mature landscaping and a circular driveway. There are also some pipes which extend through the block wall and go underground about one third of the way across the wall going from west to east.

The site is improved with tanks, vessels, well cellars, pumps, generators, compressors and various pieces of equipment for operating the facility. There are also some microturbines used for co-generation of electric power which are powered by excess natural gas which is a byproduct of the oil drilling. These generators are used to generate approximately one-third of the power used for site operations. There are a small number of operational buildings on the site located in the R4 zoned portion of the site.

The owner of the site is the Roman Catholic Archbishop of Los Angeles who leases the site to the E & B Natural Resources Management Company (E&B). E&B is the leaseholder of the entire drill-site which extends from Adams to 27th Street. This has been indicated as such on the plot plan for the site which has existed from 1959 to the present. Existing entitlements and Zoning Administrator actions have never restricted the operational portion of the drill-site to the operating area of the drill-site between West Adams Boulevard and the block wall which encircles the current operating area. Though not currently used except for the fore-mentioned pipes extending from the block wall, the area to the south of the wall has been required to be landscaped. Thus, the full 3.25 acre site has been preserved as the drill-site by the Office of Zoning Administration determinations from 1959 to the present.

- 2. The site is surrounded by residential and institutional uses. To the immediate east of the site is the 191 unit Saint Andrews Gardens apartment complex in the [Q]R4-1-HPOZ Zone. Properties to the south comprise a number of single-family homes, duplexes and triplexes in the RD2-1-HPOZ Zone. Properties to the west are occupied by a convent of Roman Catholic Nuns adjacent to 27th Street and an AIDS Healthcare Foundation hospice on Adams Boulevard also in the [Q]R4- 1-HPOZ Zone. Neighboring properties to the north are zoned R4-1-O-HPOZ and are improved with one- and two-story buildings with a library (LA84 Foundation) and a seven-story residential building. Also located within 500 feet of the site are St John of God rest home and hospital and the William Andrews Clark Memorial Library owned by University of California at Los Angeles.
- 3. A review of the past record and information contained in the file indicates that oil drilling and oil production have taken place on the site since it was first authorized to be operated at this location on April 5, 1961 pursuant to ZA Case No. 15227, subject to 24 Conditions of Approval. Development of the site for oil and gas drilling and production operations has been subject to a zoning approval process referred to as a "Review of Plans" for the construction of buildings and the installation of equipment necessary for the production of oil on the site. In addition, subsequent cases have also regulated oil drilling and production on the property, mainly addressing the need for occasional drilling and redrilling of new or existing wells. The last such submittals were approved by the Zoning Administrator on September 14, 2007 for the expansion of the well cellar and approval of the drilling of 3 new wells, the future drilling of 9 additional wells in ZA 15227(0)(PA4), the related December 26, 2007 Review of Plans for the expansion of gas handling facilities, the August 26, 2008 Review of Plans for the approval to drill Well M-31 and the May 14, 2013 Review of Plans for approval to drill Wells M-37, M-33 and M-40 all as part of the 9 additional wells approved on September 14, 2007. It should be pointed out that a further review of the approvals for the gas handling facilities was to clean the byproduct natural gas which was released by the oil drilling in order to sell the natural gas to the Southern California Gas Company.

This Plan Approval Determination results from the research and findings of this office, as well as letters and complaints raised by residents and stakeholders from the community surrounding the Murphy Oil Drill Site operation. These complaints revolved

around odors caused by oil pumping, the burning of methane gas in the microturbines and work on the site that exceeded the hours of operation contained in the Conditions of Approval. This Determination is in response to the application filed by the operator on September 1, 2021.

Research and reports from the LADCP, LADBS, LAFD, SCAQMD, and CalGEM were 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 Murphy Oil Drill Site operation.

This Plan Approval process began with a November 17, 2020 letter from the Department of City Planning's Office of Zoning Administration to the operator inquiring about any recent well work at the Drill Site and if the operator had secured permits from CalGEM for recent work. On December 17, 2020, the operator responded to the City with additional information. In its letter, E&B stated that they had been doing no new well drilling on the site nor any deepening, redrilling, plugging or permanently altering any of the casing of a well or its function. The City believes that any of these above stated work items would require that the site operator file for a Determination of Conditions for such work pursuant to Sec 13.01-H of the LAMC. This Section has since been superseded by Section 12.23-C.4 of the LAMC and Zoning Administrator's Interpretation No. ZA-2022-8997-ZAI, which prescribes new procedures for well maintenance for existing non-conforming oil well drill sites as well as what constitutes well maintenance. The ordinance prohibits any new drilling, re-drilling, deepening or maintenance unless approved under Section 12.23-C.4. In addition, Zoning Administrator's Memorandum No. 141 outlines the application procedures for Section 12.23-C.4 and states that "these wells are subject to LAMC Section 12.23-C.4 for any future scopes of work. Existing wells that received prior Zoning Administrator approval will remain subject to the previously imposed land use conditions.

Since none of this work has been conducted by the applicant, no current Determination of Conditions has been required for such activities on the site. The applicant, however, has been performing maintenance on their injection wells on the site. The question arises as to whether or not an injection well is integral to the production well as gas and water are by-products of produced oil on the site. The injection wells are used to inject water and excess natural gas back into the substrata. Complaints have arisen about the use of acids, and the odors produced, to reduce scale in the injection well. While a strict reading of 13.01-H mentions that only the drilling, deepening or maintenance of an "oil well" needs to apply for a Determination of Methods and Conditions, E&B and most other companies have interpreted this as being for production wells only. However, Section 13.01-B (Definitions) defines an "Oil Well" as

"any well or hole already drilled, being drilled or to be drilled into the surface of the earth which is used or intended to be used in connection with coring, or the drilling for prospecting for or producing petroleum, natural gas or other hydrocarbon substance, or is used or intended to be used for the subsurface injection into the earth of oil field waste, gases water or liquid substances, including any such existing

hole, well or casing which has not been abandoned in accordance with the requirements of Article 7 of Chapter 5 of this Code ..."

Therefore, new Condition No. 17 requires that acidification in order to maintain injection wells requires a Plan Approval to Determine Methods and Conditions for such work. In the recently enacted ordinance 187,709, this activity must be requested pursuant to a discretionary Health and Safety Exception.

On June 1, 2021, the Department of City Planning's Chief Zoning Administrator sent a letter to the operator notifying the applicant of the requirement to file for a Plan Approval for a review of compliance with and effectiveness of the conditions imposed under Case No. ZA-1959-15227(O)(PA4). On September 1, 2021, the operator submitted an application to the Department of City Planning for a Plan Approval (Case No. ZA-1959-15227-O-PA6) to review compliance with the conditions of approval imposed under Case No. ZA-1959-15227(O)(PA4). The applicant included a letter in the application requesting additional conditions related to annual inspections, emergency reporting, air monitoring, and the operation of the microturbines.

The Zoning Administrator has agreed to the additional conditions requested by the applicant. Condition Nos. 18, 19 and 20 regarding annual on-site safety inspections and reports, fence line monitoring of various pollutants and immediate notification of appropriate City agencies including the Fire Department, the Petroleum Administrator, the Office of Zoning Administration, Department of Building and Safety and the local Council Office of an emergency, accident or spill which requires reporting to State, County or Regional agencies respectively. These Conditions are similar to those required on other drilling locations in the locality and standardize these Conditions on E&B Natural Resources Management Company's local operations.

E&B also asked for a "clarification" on the use of microturbines on the site which are used for both cleaning natural gas generated by the wells for sale to the Southern California Gas Company and for electrical generation. There are numerous documented complaints in the file about the burning of natural gas on the site and that Condition No. 43 of Section 13.01-F prohibits the generation of electricity on the site. Condition No. 43 was included in the original Determination for the Drill Site. Section 13.01-F includes over 60 additional conditions that may be placed on a drill site other than the Standard Conditions located in Section 13.01-E, 2. The Conditions in Section 13.01-F are discretionary in that the introductory language of the Section states:

"In addition to the standard conditions applying to oil drilling districts, the Council by Ordinance or the Zoning Administrator **MAY** impose other conditions in each district as deemed necessary and proper."

In the case of the Murphy Site, the original prohibition against generating electricity on the site was eliminated by the Zoning Administrator in Plan Approval No.4 (PA4). The use of the microturbines is for both the cleaning of natural gas and the production of electricity on the site. The microturbines are powered by natural gas which is a byproduct of oil production on the site. Eliminating the turbines would result in not only

being unable to clean the natural gas to current standards of the State's California Air Resources Board (CARB) but would place additional power demand on the City's Department of Water and Power power grid. As the previous Zoning Administrator has permitted this use, this Determination will let it continue. However, in order to contain any noxious odors from this use, Condition No. 23 requires the micro-turbines to be contained within the required containment structure with an additional state of the art vapor recovery system. The turbines, themselves, are already contained within a building. Condition No. 23 requires that the additional containment structure will also contain this building in order to further reduce noxious odors in the neighborhood.

On July 28, 2021, the Department's Chief Zoning Administrator sent a letter to the operator inquiring about possible well maintenance activities that would be subject to LAMC 13.01-H. On September 22, 2021, the operator responded to the City with additional information. The letter stated that over a two-day period, the operator performed a scale cleaning operation on two non-producing oil wells used as injector wells using 1,600 gallons of solvent mix, 500 gallons of mud acid mix and 500 gallons of brine water on each well. Neither CalGEM or the SCAQMD require permits for such work, but the operator does have to report to CalGEM in their end of year reporting of their aggregate well plan. In future months, SCAQMD will be amending their agency's regulation, Rule 1148.2, to include notifications for any maintenance acidizing on injection wells and workover rig operations, but that has not been made effective as of this determination. As stated above, however, the language of Section 13.01-H of the LAMC does include the maintenance acidizing of injection wells as requiring a Determination of Methods and Conditions to be filed. As such, Condition No. 17 was added to the Conditions of Approval. Condition No. 17 does not require a separate Plan Approval or Health and Safety Exception hearing every time that the operator is performing well maintenance on injection wells. A one-time Plan Approval is required so that the City and its residents are informed of the materials used in such well cleaning, the toxicity, if any, of the material and notification of such work being done. Presently nothing is required which details what is used and when such work is occurring. The filing of a one-time Plan Approval should not be onerous to the operator as it will result in full disclosure of such activities in the neighborhood and can be updated over time as best practices change.

On December 22, 2021, the Chief Zoning Administrator sent a letter to the operator inquiring about toxic chemicals used to mask odors, use of radioactive materials on wells, and staff leaving the drill site at night. On January 17, 2022, the operator responded to the City with additional information. The operator responded to the December 2021 letter on January 17, 2022. In compliance with SCAQMD regulations the operator installed an aromatic diffuser system for potential odor mitigation. Specifically, the odor control system is used to neutralize potential diesel odor for well servicing work. According to the applicant, the counteractant called Odor Control Jasmine is safe, non-toxic and 100% biodegradable. However, the Safety Data Sheet for the product includes hazard statements claiming that it is a flammable substance which can cause serious eye or skin irritation, and if the product is somehow ingested, it can result in gastrointestinal complaints, irritation of mucous membranes and nausea. These are by products of a

component which is in regular use for odor controls. Complaints were raised at the public hearing and in written testimony against its use because of odor of the product and possible health concerns. The smell of natural Jasmine is a strong odor and its use to mask diesel and other odors would be a practical use of the product.

The Zoning Administrator is not about to quibble with the operator as to their choice of required odor masking products; however, he is concerned about the present location of the equipment for dispensing the product which is on the western side of the property close to the adjacent AIDS Healthcare Foundation's hospice building. The equipment should be removed from its present site to an area of the drill site which is as far away as possible from adjacent residential uses and away from any flammable uses on the site. People in a hospice situation are not mobile and any problems with the dispersal equipment should not affect adjacent residential properties especially for those with terminal medical conditions. Though it is required to be diluted by liquid and is in its product container, it can cause vapor and liquid spills. These should not be used adjacent to health facilities or residences in general.

Complaints against the use of radioactive materials were mentioned in the Chief Zoning Administrator's letter. E&B Natural Resources stated that such radioactive tracer surveys are required by the State of California's Government Code Section 14 CA Code of Regulations 1724.10.2. As this is a requirement of the Government Code, the City cannot place its own regulations on the tracer surveys as the State of California is a superior agency to the City. The use of Iodine 131 is common in hospitals for imaging solutions. The use of Iodine 131 is regulated by the United States Environmental Protection Agency, CalGEM and the California Department of Health Services. The operators must also notify CalGEM when such a tracer survey is to occur and a CalGEM inspector must be on the site to monitor the test. No further conditions have been imposed to regulate such a test.

As to comments in letters to the Department and photographs showing the on-site staff leaving the site during their shift. E&B mentions that there is no current requirement in the Conditions of Approval requiring staff be on-site for 24 hours. They do claim that they have at least one or more personnel on site every day and that the staff is assigned two, twelve hour shifts daily. While E&B suggests that there are redundant systems, multiple alarm systems including on the recently installed fence line monitoring system, a 24-hour answering system, approved safety and emergency response plans, the Zoning Administrator has included an additional Condition in Condition No. 24 to require that there always be someone on the site. This would require a two person shift for the two shifts so that if staff takes a dinner break there would still be a staff monitor on the site in case any problems should arise. This is not a Condition of the site's 2020 Spill Prevention, Control and Countermeasure Plan with the Fire Department as mentioned in letters to the file, but the Zoning Administrator believes that for an otherwise industrial facility in a residentially zoned and built community there should be personnel on the site, 24-hours a day for both security and to monitor on-site equipment. E&B, though not currently required to do so, has stated to the Community that there are two 12-hour shifts on the site and that there is always someone on the site. As spills and leaks can occur at any time at a drilling facility, as occurred at the Rancho Park drilling facility which had a mercaptan leak which permeated the air in much of the City's Rancho Park, West Los Angeles and Palms communities, trained staff should always be on the site to monitor and control the equipment.

4. After listening to the testimony at the public hearing held on April 28, 2022, reading the letters and emails to the file for the hearing and receiving information from the City's Petroleum Administrator on December 6, 2022, the Zoning Administrator has determined that E&B Natural Resources is in partial compliance, as shown above in the Compliance Review Section of this Determination, of the Conditions of Approval for Z.A. 17525 (PAs 1 through 5). One of the main points of contention at the public hearing was that the Murphy Drill Site's Conditions of Approval were not consistent with other drill sites in the South Los Angeles area and that the South Los Angeles drill sites did not have Conditions of Approval consistent with drill sites in wealthier communities on the westside of Los Angeles.

The Condition Compliance report submitted by E&B (It should be pointed out that the condition numbers stated in this finding and the Condition Compliance Report are different from the condition numbers in this Determination. This is due to the additional conditions placed in the Conditions of Approval of this determination.) stated that they were in compliance with all of the previous Conditions of Approval. Department staff in reviewing the Condition Compliance report agreed with E&B on 23 of the Conditions of Approval, in partial compliance with four Conditions and non-compliant with two Conditions. Many of the 30 Conditions deal with the drilling of the wells. The six which were in partial, or non-compliance dealt with operational conditions. Among the partially compliant conditions were Condition 13.01-F, 54 (complaints over odors from burning methane gas), Condition No. 5 (all access from Adams Boulevard), Condition No. 6 (hours of operation) and Condition No. 11 (removal of graffiti). Staff found that Condition No. 13-F, 18 (no noise, dust, odors or vibrations from operating equipment) was violated and citations issued by oversight agencies. Additionally Condition No 12, which requires the use to be operated at all times with due regard for the character of the surrounding district, has been violated in that the operator has been cited for a number of violations of odor controls and un-cited noise complaints by the neighborhood. Condition No 12 also allows the Zoning Administrator to impose additional conditions if proven necessary for the protection of the neighborhood or occupants of adjacent property. Though the applicant has not stated that they have violated these conditions except for a violation of hours of operation for maintenance work on the site, they did realize problems with the neighborhood and proposed three "good neighbor" conditions to be added to the Conditions of Approval. The Zoning Administrator has imposed additional conditions Nos 18, 19 and 20 regarding annual on-site safety inspections and reports by an independent contractor, enhanced fence line monitoring and supplemental emergency reporting to City agencies including the Fire Department, the Office of Zoning Administration, the Petroleum Administrator, Department of Building and Safety and the local Council Office of any spill, accident or other emergency that requires reporting to a State, Regional or County agency.

At the public hearing and in correspondence before the hearing, Earthjustice, representing Redeemer Community Partnership, recommended three additional

conditions that were placed on both the Jefferson Drill Site, which is one mile away from the Murphy Site and on other drill sites in West Los Angeles be added to the conditions of operations for this drill site. The proposed conditions are: fully enclose the Murphy Drill Site in a permanent enclosure with an enhanced vapor recovery system; only allow the use of all-electric workover rigs; and prohibit the burning of methane gas at the drill site.

The Zoning Administrator has required in additional conditions the enclosure of the site and the use of electric workover rigs. Additionally, trucks are not allowed to idle their engines when they are on the site but must turn them off until such time as they are leaving the site or moving to another location on the site. The Zoning Administrator did not prohibit the burning of methane gas for the microturbines as that is presently permitted though not stated in the conditions. The microturbines are, however, required to be located within the enclosure structure with an enhanced vapor recovery system to control odors from the burning of the gas. Finding No. 5 goes into greater detail on this subject. Additional modifications to existing conditions and new conditions were added to the Conditions of Approval as described below.

Condition No. 1 was modified by adding language requiring a new site plan for the drill site to be submitted to the Office of Zoning Administration which shows the location of all current production equipment on the site including but not limited to tanks, vessels, compressors, scrubbers, microturbines and oil and injection wells. This modification was made so that the Office of Zoning Administration has a current site plan of the site for the file. It should also be updated as each new Plan Approval or Health and Safety Exception Project determination for the site is approved. A recently passed City Ordinance prohibits additional oil well and injection well drilling on the site and in the City.

Condition No. 5 was modified to prohibit any access to the site from the 27th Street entrance except for landscape maintenance of the park-like area on the southern portion The current Condition limits access to the drilling site to Adams Boulevard only. However, complaints were raised at the hearing and in written comments stating that the Southern California Gas Company was using the 27th Street entrance for the placing of a new industrial sized meter for the production site. southern portion of the drill site property has always been used as a park-like area with all oil production equipment to be located on the north half of the site. There is a wall and a low ridge which separate the two portions of the site and except for some pipes attached to the wall and the aforementioned gas meter no production material is located south of the wall. There is presently a gate at the easterly parking area for the site which allows access to the landscaped area which will allow workers to maintain the pipes and gas meter. The 27th Street driveway is surrounded by residential properties and a convent for Roman Catholic nuns in the R4 and RD2 zones. Such a residential street and area should not be subject to any traffic accessing the industrial use that constitutes the drill site. The current conditions do not limit access to the area though the existing Condition obliquely limits access to the drill site from Adams only. This modification will make it clear that 27th Street should not be used for any access except for landscaping purposes.

Condition No. 6 was modified to place additional language in the Condition to require that the notice required of abutting property owners regarding heavy truck operations should also be placed on the newly required (Condition 21) landing page for public information on E&B's web page. A further explanation for Condition 21 is included below.

Condition No. 7 was modified to include language regarding the enclosure of the site required by Condition No. 22. The modification states that the required enclosure structure shall be 45 feet in height compliant with the maximum height of the R4 Zone in Height District No. 1. Since the workover and drilling rigs exceed 45 feet in height the sound proofing required by Condition No. 7 is still in effect for the portion of the rig which exceeds 45 feet. Again, the Condition has been modified so that sound level measurement and monitoring be required during the use of any workover or maintenance rig and that the resulting measurements be placed on the website for the facility. In this manner, the operator will be encouraged to follow the City's Noise Ordinance as closely as possible and will result in the public being made aware of the actual noise levels instead of attempting to guess at the levels. The intent is to bring down the level of noise from drilling and maintenance operations as this is a residential neighborhood with a number of medical, school and library structures in the immediate area.

Condition No. 8 was deleted.

Condition No. 9 was added to the Conditions of Approval from the list of additional conditions which may be placed on drill sites by Section 13.01-F of the Municipal Code. It has been included as a requirement for the operator to remove all rigs from the site when drilling is completed including the use of workover and maintenance rigs. This is another of numerous discretionary conditions in 13.01-F to control the appearance of the site by removing rigs, derricks and other drilling equipment which is not being used by the operator. This is a residential area and all such equipment which exceeds the height of either the required structure or the view blocking fence at the front of the property shall be removed so that the industrial nature of the well site is concealed from both passersby on Adams Boulevard and from the adjacent residential properties.

New Condition No. 10 (Condition No. 45 of Section 13.01-F of the LAMC) was not included in the original Conditions of Approval. It is a requirement that the operation of the site shall be operated to reduce as far as practicable dust, noise and vibration and noxious odors resulting from the use of the site. It also requires that as technological improvements and equipment become available to reduce dust, noise, vibration and odors, it should be adopted for use or installed by the operator. It also requires that a Plan Approval or Health and Safety Exception be filed before the new equipment or operating procedures can be installed. As can be seen by the actions of the applicant and former operators of the site, the Plan Approval process has not always been applied to new equipment or well maintenance activities which is required by Section 13.01 of the Code. The addition of this Condition makes it an unmistakable requirement for any such changes or operations.

Condition No. 15 regarding on-site lighting of the site was modified to take into account lighting on the new containment structure which at 45 feet exceeds the height of other buildings in the area. Any lights must be below the height of the surrounding fencing at the property lines of the site. Again, the site is in a residential area and industrial strength lighting should not be placed into it or if necessary for security reasons, such lighting should not be readily viewable from adjacent residences. Such lighting requirements are standard for commercial and institutional uses which are adjacent to residential areas, and as this is a midblock intrusion of a use which is normally allowed only in a M3 heavy manufacturing zone, the lighting should be compatible with and not an evening and nighttime intrusion into the peaceful enjoyment of evening and sleep time use of the adjacent residential properties.

New Condition No. 17 was added to the Conditions of Approval because the applicant has not included maintenance activities for the existing wells including injection wells into the Plan Approval process as is required by Sub-section 13.01-I and the definition of an "Oil Well" in Sub-section 13.01-B of the LAMC which includes Injection Wells. This Condition was needed due to the materials that are used in well maintenance procedures which include such items as acids to clean out calcium deposits in wells which can block either oil coming out or byproduct fluids being reinjected into the sub-strata. As oil well maintenance is required by State law and best practices and happens to include acids, lodine 131, which is radioactive, and other noxious fluids and solids, the methods and procedures for such activities are required by the Code either through a Plan Approval to the original case or by a Health and Safety Exception pursuant to Section 12.23-C,4 of the LAMC. Complaints were raised against the current and former operators of the site for not filing a Plan Approval for the determination of methods and procedures for maintenance of all wells as is required by the Code. This Condition makes clear to the operator that the maintenance of all wells is required so that there is no doubt as to the process. The Condition only requires one Plan Approval or Health and Safety Exception to set the overall methods and procedures for all maintenance activities of the wells as maintenance activities can occur multiple times a year and the procedures do not change for each individual maintenance activity. If new procedures are requested by the applicant or new maintenance materials are needed, then a new Plan Approval or Health and Safety Exception would be needed. New Condition No. 23 requires notice for residents within 100 feet of the site and posting on their web page when any maintenance activities will take place.

New Condition No. 18 was added at the request of the operator. It requires an annual On-site Safety Inspection Report of all equipment on the site as well as repair or maintenance work done to keep all equipment in good working order. Such reports are normally performed by third parties and the reports sent to the Petroleum Administrator and the Office of Zoning Administration. The report is a compendium of the equipment on site and the repair and maintenance performed on the equipment.

Condition No. 19 was also requested by the applicant and by the City's Petroleum Administrator. This would result in a fence line monitoring system which would measure any volatile organic compounds, reactive organic gases and toxic substances which are present in oil drilling operations. The fence line monitoring will detect the concentrations

of these by products and also if any are escaping into the surrounding residential neighborhood. Fence line monitoring has become a best practice in the oil production industry, especially when well sites are located in residential areas, and a fence line monitoring system has already been installed on the site by the operator. This condition is not redundant as it will be required to be monitored as a part of the equipment inspection required in the annual On-site Safety Inspection report. The existing system may not be set up to monitor all of the mentioned production byproducts so there may be some expense for the operator in meeting this Condition but as all of the listed substances are either toxic or cause obnoxious odors in the neighborhood, they should be monitored for the air quality and safety of nearby residents.

New Condition No. 20 was added at the request of the applicant. The Condition requires the notification of various City agencies with jurisdiction over the site whenever there is an emergency, accident or spill that requires reporting to any State, County or Regional agency. This Condition became necessary after a spill of Mercaptan, an agent used to place an odor on natural gas which in its natural form has no smell, at a West Los Angeles drill site which caused a nauseous odor to escape and effect a large swath of West Los Angeles without proper notification of City agencies at the time that it occurred.

New Condition No. 21 was added because this is a best practice that strengthens transparency between the operator, the City and those that reside within the vicinity of the drill site. The technology and software to illustrate this type of information exists, and the operator has been given an appropriate amount of time to implement the landing page on the company's website.

New Condition No. 22 was added because it formalizes a best practice that was first introduced in unincorporated Los Angeles County oil/gas extraction sites. The Los Angeles County Department of Public Health (LACDPH) introduced a notification template for oil companies to send out when they would begin work at drill sites. LACDPH posted this template on their website for any oil companies and/or municipalities to use at their discretion. This template has been discussed at various meetings centered around safety protections for those who reside around oil drill sites and received positive reviews by residents. The County explained that the "template" is a tool recommended by Public Health for operators and developers to use to communicate with fence line and nearby communities. Information included should include but not be limited to an overview of the activities conducted on-site, the hazards and potential risks for the community, the mitigation s to protect public health and safety, what will happen in case of emergency and whom to contact with questions or concerns.

New Condition No. 23 was added at the request of numerous stakeholders. An enclosure was a requirement of the recent Plan Approval for the Jefferson Drill Site and has been required on certain drill sites in West Los Angeles. This Condition also implements Condition 13.01-F, 52, a discretionary Condition of Sub-section 13.01-F of the Code, which states in part that "no oil, gas or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is completely enclosed within a building." The Condition goes on to require that the structure be of a permanent type and constructed in a manner that will

eliminate as far as practicable, dust, noise, noxious odors and vibrations and other conditions which are offensive to the senses and shall be equipped with such devices as are necessary to eliminate the objectionable features noted above. This Condition also requires the use of enhanced vapor recovery systems to control noxious vapors on the site. Because the site is within the boundaries of the Jefferson Park Historic Preservation Overlay Zone (HPOZ), the Code requires any structures which are not contributing buildings within HPOZs to acquire a Certificate of Compatibility from the HPOZ's Preservation Board. Additional language in the Condition states that the Board may only hold a maximum of two hearings in order to recommend approval of the design only of the structure. The two hearing maximum was placed on the Board so as not to delay the construction of this necessary containment structure which is to be emplaced to reduce odors, noise and vibrations to the surrounding community. The Board is to only look at the design of the structure and has no ability to deny its construction. The construction of such a structure was also a recommendation of the former City Petroleum Administrator in his comments to the Zoning Administrator on the Plan Approval for the Jefferson Well Site and was included in the Conditions of Approval for that case. Such a containment structure with enhanced vapor recovery systems will reduce the amount of noxious odors from the site as well as contain noise from operating and cogeneration systems.

New Condition No. 24 was added to make the Murphy site's conditions consistent with recent Jefferson drill site conditions of approval and are also consistent with a report of the City Petroleum Administrator to the Zoning Administrator for that case. The Plan is required so that any spills which occur on site are regulated so as not to affect groundwater and soil. The Plan would evaluate newly available prevention and control technology which may be installed to forestall spill events and evaluate the structural integrity of secondary containment structures on the site that would prevent spills from reaching soil on the site and ground water. The Condition also requires that the site be staffed for 24 hours per day. The operator currently volunteers that there be two, twelve hour shifts daily with staffing throughout the shift. Testimony and photographic evidence were shown to the Zoning Administrator which showed that, especially in the evening, the site was not fully staffed. In order to permit staff to take dinner breaks, the Condition requires at least two people be on the site during each shift. Thus, if anyone needs to take a dinner break off-site or needs to be off-site due to sickness or family emergency, there will always be a staff person on-site to monitor the facility and notify operational staff if there is any emergency on-site which needs to be met by more than one person or City Fire Department or Police personnel. The site is in an area surrounded by residences and health care facilities and continuous staffing is necessary both to monitor the site and to deter any criminal activity that could occur on-site. The Condition also requires that any odor control dispersal system be placed as far away from any residential uses as possible. Currently photographs of the site show the odor control dispersal system to be located on the westerly portion of the site close to the outer fence line of the site. This site is adjacent to residences and the AIDS Healthcare Foundations Since there are very low-level toxic material in the odor control substance, it should not be placed near residential uses as exposure to the material can cause eye irritation and nausea. The Condition requires it to be moved to an area that is non-adjacent to residential uses. Eventually when the site is enclosed the odor control may be made unnecessary by the enhanced vapor control system or it can be enclosed within the containment structure.

New Condition No. 25 was added at the applicant's request for a clarification of whether or not the methane fueled microturbines are allowed on the site. It, also, is in response to the Community's request that there be no methane burned on the site and that the microturbines be removed because they were not permitted in the original Conditions of Approval. The Zoning Administrator reviewed previous Plan Approvals for the site as to the question of the microturbines. Subsection 13.01-F Conditions 26 and 43 both require that operations on the site be carried out only by electric power and that the power not be generated on-site. As previously stated in this Determination, the Conditions in Subsection 13.01-F are discretionary to the Zoning Administrator to place on the site and are not mandatory. Condition No. 43 was placed in the original Conditions of Approval. Because of the natural gas which was a by-product of oil pumping, the operator of the site in Plan Approval No. 3 requested that the Condition be removed. Administrator refused to remove the Condition and required that if the operator wished to remove the Condition that it be done in a separate Plan Approval. The Condition was removed in subsequent Plan Approval No. 4. The microturbines were needed on the site to both clean the natural gas to the requirements of the California Air Resources Board and the Southern California Gas Company who was purchasing the gas. Though the Condition was removed, there was no condition which expressly permitted the turbines. Thus, the confusion on the part of the applicant and the Community as to whether or not they were permitted. The Zoning Administrator has permitted them to be used with this Condition. The use of the microturbines has been limited by permitting them to be fueled only by natural gas generated on the site and not by any other well sites in the area and then sent to the site by pipeline or by natural gas supplied by the Southern California Gas Company. Thus, the microturbines can only be powered by gas generated on-site. This is to prevent the Murphy site from becoming a repository for natural gas produced by other drill sites and burned in the midst of this residential community. Complaints were raised about the odors produced by the burning of methane on the site. The odors produced by the burning of methane in the microturbines will be controlled in the future by the containment building and the enhanced vapor control systems. As to any applicant complaints about needing to import additional methane to the site to operate the turbines, it should be pointed out that this Zoning Administrator was the same one who denied a previous operator of the site who wanted to install a gas flare on the site to remove excess methane from the site that was not used in the microturbines. If there was too much gas at that time over what was needed in the microturbines then there should be no need to import methane from other drill sites in the area. There is additional language in the Condition which was requested by the Petroleum Administrator limiting the amount of particulate matter which may be generated by the microturbines and that ensure that the operator complies with SCAQMD permit conditions that limit the emissions from the full set of turbines not just individual permitted units.

New Condition No. 26 was imposed at the request of the Community. The City's Petroleum Administrator in a letter of comment on the Public Hearing received by the Office of Zoning Administration on December 5, 2022 stated that electric drilling rigs exist, but that electric workover rigs are not available in the United States. Workover rigs are necessary for both repair of existing wells and for proper abandonment of existing wells. The Condition, however, is similar to a Condition placed on the Jefferson Drill Site and on the Packard site on Pico Boulevard in West Los Angeles where the Condition has been in effect since the year 2000 and specifically mentions workover rigs have to be electric. The new Condition also requires that other equipment used on the site not be powered by diesel equipment including backup generators. The backup generators should either be plug in electric, solar powered or powered by the on-site microturbines. Backup generators are generally used when there is a power outage which affects the site thus obviating the use of plug in power. The use of the on-site microturbines in generating electricity or solar powered generators remain the only backup power readily available. The Condition also states that diesel powered vehicles (trucks and semitrucks) are permissible on the site, but that idling engines on the site is prohibited. Engines must be turned off except when being moved off of the site or when repositioning a vehicle on the site. This is a standard air quality improvement requirement placed on diesel vehicles by the City in order to reduce PM10 generation in the City.

New Condition No. 27 was included in the Conditions of Approval at the suggestion of the Oil and Gas Facilities Unit of the Office of Zoning Administration. Though all oil companies are required by Federal, State and Local agencies to cap wells when they are idle or abandoned, many companies have not done so on a timely basis claiming a desire to either reopen or repurpose the wells. Idle wells pose a public health and public safety risk to those in the vicinity. Idle well management is imperative to prevent both fugitive emissions and emergency incidents. Idle wells have been found to be leaking natural gas and other substances at idled or inappropriately plugged wells in the Pico-Union and eastern Angeleno Heights (on hills opposite Dodger Stadium) areas of the City. A recent explosion of an idled well in the Kern County area near Bakersfield has shown the importance of properly plugging or otherwise maintaining idle wells. Thus, the operator is to remain in compliance with all regulations concerning idle wells and their management, including any requirements to plug and abandon idle wells. Most notably, State regulations and the Los Angeles City Fire Code regulate idle wells and the operator shall comply with those standards for idle wells.

New Condition No. 28 was added to bring the Murphy Drill Site into compliance with other well site cases in South Los Angeles and West Los Angeles. This Condition requires the operator to install an early alert detection system in the event of hydrogen sulfide and methane leaks. The construction of the containment building and the vapor recovery system will help to control any leaks of these substances especially outside of the containment building. A state of the art fire suppression system is also required to be developed with the concurrence of the Fire Department and a clearance from the Fire Department prior to the Department of City Planning signing off on the Building Permit for such equipment. The Fire Department is also required to arrange for a quarterly inspection of the fire suppression equipment to access their effectiveness and

maintenance. The report shall be given to the Office of Zoning Administration on a quarterly basis for a five-year period of time. Upgrades to fire control systems for such industrial uses in a residential area should always be required as fires in oil wells and storage tanks can easily become out of control and residences or healthcare facilities are as close to the production site as 63 feet with overhanging trees.

New Condition No's 29 and 30 were added in because currently there are no conditions for the decommissioning of the drill site. Condition No. 29 lists the tests for soil and ground water contamination which must be analyzed before the site is closed to operations and the appropriate agencies. Condition No. 30 enforces Condition 62 of Sub-section 13.01F. Condition 62 requires that all onshore drilling and production facilities shall be removed and the premises restored to their original condition after all oil and gas wells have been abandoned. This condition is a best practice measure to ensure both that the drill site operator and/or property owner remediates any contamination found at the property and that an expert agency formally signs off on any remediation efforts that occur. Currently, the Regional Water Quality Control Board only becomes involved in a clean-up effort if they are formally asked by the property owner and/or drill site operator. This condition memorializes the requirement for the operator to test for contaminants and take a proactive approach in reaching out to the Water Board to review their testing and remediation process. Condition 30 is also based on Condition No 62 of sub-section 13,01-F which requires that all existing infrastructure from the site be removed and the site returned to its original condition.

New Condition No. 31 was imposed to enforce Condition 17 of Sub-section 13.01-F. This Condition requires any person requesting a determination by the Zoning Administrator prescribing the methods and conditions that oil drilling and production shall agree in writing to be bound by all of the terms and conditions of this article and by any written determination of the Zoning Administrator. The standard method of the Department of City Planning for such an agreement is the filing of a covenant and agreement with the County Clerk to comply these Conditions.

New Condition No. 33 was imposed as it is a standard condition for all Department of City Planning cases which may be litigated.

6. Both the applicant who wanted clarification of the legality of the on-site microturbines and the neighborhood stakeholders who wanted there to be no burning of methane on the site had concerns about the microturbines on the site which generate electricity for on-site operations. As has been previously stated in these findings, the original determination for the drill site did not permit the generation of electricity on the site and adopted Condition No. 43 of Section 13.01-F which states: "That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district."

As a part of required Plan Approval No. 3, the applicant requested that Condition 43 be removed from the Conditions of Approval. The Zoning Administrator hearing the case refused to so as the request was not noticed and was not a part of the original application for the Plan Approval. The applicant was told to reapply for a new Plan Approval

mentioning the change. Subsequently, a "new Plan Approval was filed asking for the right to use microturbines on the site. This request was granted in Plan Approval No. 4, but instead of specifically allowing the use in the Conditions of Approval, the request was approved by merely eliminating Condition 43. Thus, there is some lack of clarity as to if the use of the microturbines is permitted.

The Conditions contained in Sub-section 13.01-F are discretionary in nature. introductory language to the Sub-section states: "F. Additional Conditions. In addition to the standard conditions applying to oil drilling districts, the Council by ordinance, or the Zoning Administrator MAY impose other conditions in each district as deemed necessary and proper." Thus, the Conditions of 13.01-F are discretionary, and a Zoning Administrator may pick and choose among the list of 64 Conditions or write new ones as the list is somewhat static and can only be changed in the Code by another ordinance. Accordingly, Condition No. 25 has been added which permits the burning of natural gas or methane if that is the product of the wells. It further limits the natural gas to only that which is generated on-site and not pumped in from other drill sites. The Murphy site currently also burns natural gas pumped in by pipe from the nearby Jefferson Drill Site. This was prohibited so that the Murphy Site does not become a repository for natural gas from other drill sites. Nor does the Condition permit the operator to buy gas from the Southern California Gas Company for use in the microturbines. In an application for the installation of a Natural Gas Burner in 2017, Freeport McMoran that the burner was requested to constitute a redundant system to complement the gas burned in the microturbines. As there was an adequate amount of gas to power the microturbines at that time with a request to burn the rest or reinject it into the well, this Zoning Administrator finds no reason that the operator should be importing more gas from offsite to run their microturbines. The Condition also requires that the microturbines be placed into the new containment structure with an enhanced vapor recovery system to reduce any odors from the microturbines as well as any noise produced. At the suggestion of the Petroleum Administrator, a limit on microturbine PM10 emissions was also included. Again, the containment structure will help to reduce the amount of PM10 generated by the microturbines and the limitation on emissions will further reduce it.

The Petroleum Administrator also mentioned that the California Air Resources Board in their 2022 draft scoping plan for achieving carbon neutrality mentions the use of microturbines as a reasonably foreseeable compliance response to reduce emissions from existing oil and gas facilities including vapor recovery systems. Collected vapors would be routed to sales gas lines, microturbines, fuel gas systems, low NOX flares or ground injection wells. The existing Murphy Drill Site uses the sale of by-product natural gas to the Southern California Gas Company and the use of on-site microturbines for both cleaning natural gas for sale and for generating electricity which was previously approved by PA 4 of this case. The use of a flare was denied by the Zoning Administrator in 2017. Thus, the use of the microturbines has been approved for the site as they are used for both cleaning existing natural gas to industry and CARB standards and for the generation of electricity on the site for other uses of the facility. The only other methods of disposal for the byproduct natural gas is to burn it in a flare which has already been denied by the Office of Zoning Administration or reinjecting it back into the substrata by

the site's injection wells. This would result in a large amount of natural gas being stored beneath a residential neighborhood. After recent experience with reinjected natural gas in the Aliso Canyon well field of the Southern California Gas Company, which was in a well field at least one mile from nearby homes, it is equally dangerous to store natural gas beneath a solidly residential community at this location. While this is not a response desired by the neighborhood stakeholders, the use of the microturbines in an enclosed containment structure with proper vapor controls should eliminate or greatly reduce the noise, odor and PM10 emissions generated by the burning of natural gas at the site.

ADDITIONAL MANDATORY FINDINGS/DISCUSSIONS (ENVIRONMENTAL REVIEW)

As a Plan Approval related to a review of conditions on an existing drill site, the Proposed Project qualifies for exemption from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Article 19, Sections 15301 (Class 1), 15303 (Class 3) 15305 (Class 5), 15308 (Class 8) 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 Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Project does not involve the approval of new wells or conversion of existing wells nor will the Project result in a change the number of wells as the capacity of the oil and gas extraction facility will remain the same as it was at the time of the application submittal (September 1, 2021). Therefore, this will not result in any expansion of use at the well site.

Section 15301; Class 1 Category (f): Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices.

Following a review of the effectiveness of the current conditions, revisions were made to the existing conditions and additional conditions added to require the installation of enclosures, structures and equipment such as fence line monitoring devices, vapor recovery equipment and a containment structure which are necessary for reducing and neutralizing noxious odors, noise and fluid spills from the site. Other conditions require additional monitoring and regulatory plans and reports to State, Regional and Local agencies such as CalGEM, South Coast Air Quality Management District, and the City of Los Angeles' Department of Building and Safety, the Fire Department and the Department of City Planning's Office of Zoning Administration. The construction of the

containment structure is necessary to block odors from oil and natural gas which is extracted on the site from migrating to adjacent residential and medical uses. The walls of the structure will also reduce impacts on nearby residences from any noise which is generated by the operation of the extraction of oil or the co-generation of electricity from the burning of natural gas on the site. The enhanced vapor recovery system within the containment building will reduce any airborne vapor and odors from migrating to adjacent properties.

Section 15303; Class 3 involves the new construction or conversion of small structures or facilities and installation of small new equipment and facilities in small structures.

The required containment structure consists of walls with no roof. This results in an open-air structure with vapor recovery equipment to reduce odor, noise and dust impacts on the surrounding residential neighborhood. The structure qualifies as a Class 3 small structure in that it is designed to contain the production facility and reduce noxious odors, noise and dust in the area. It is not designed to draw people or vehicle traffic to the site due to any operational effects. It is solely built to contain and reduce noxious operational impacts of the existing use on its surrounding neighborhood.

Section 15305; Class 5: Consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which does not result in any changes in land use or density.

The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The site is relatively flat with only a slight slope, well below 20%. The Project does not change the land use or the density of the subject site. Nor does it result in an intensification of the number of wells, either for production or injection, on the site. The Project does not involve expanding allowed uses on a site; instead, this review is narrowly limited to a review of existing conditions. The Plan Approval is making modifications to the existing conditions and adding targeted new conditions that do not result in any changes in land use or density. The Project's scope is limited to the City's review of the Applicant's compliance with the applicable conditions of approval and the effectiveness of those conditions, it does not include the approval of any drilling, redrilling, or converting of wells. Any new construction of structures is limited to the purpose of containing noxious odors, noise, spills and dust which have migrated to the surrounding residential neighborhood.

Section 15308; Class 8: Consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement or protection of the environment where the regulatory process involves procedures for protection of the environment.

The Department of City Planning is one of the City's regulatory agencies which control oil drilling in the Los Angeles by determining the methods, standards and conditions for oil drilling sites in the City. The modified and additional conditions contained in this Plan Approval are designed to lessen the effects of odors, noise and dust which result from the drilling operation on the surrounding residential neighborhood. The neighborhood also includes four medical facilities (the AIDS Healthcare Foundation facility adjacent to the site, the John Tracy Clinic and Center 125 feet west of the site, the Western Convalescent Hospital 350 feet west of the site and the Saint John of God Hospital and Rest Home 500 feet east of the site at the corner of Adams Boulevard and Western Avenue) in proximity to the drill site and numerous other educational facilities. The additional monitoring and vapor recovery devices required by the conditions of approval will reduce and control the known environmental effects of oil drilling including noxious odors, noise, vapors and dust which are affecting this residential neighborhood.

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 compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4). The proposed project allows the continued operation of the drill site subject to the existing conditions and added or revised conditions. This regulatory action would not result in any adverse impacts on the environment as any required construction or installation is for the purpose of odor and noise control of the site and for the health and safety of both area residents and employees of the site as well as enforcement of the existing conditions of approval.

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

The City has considered whether the Proposed Project is subject to any of the six (6) exceptions that would prohibit the use of a categorical exemption as set forth in 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 1, 3, 5, 8 and 21 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 Subject Site is located within a Methane Zone and is located approximately 2.5 kilometers from the Puente Hills Blind Thrust Fault and is subject to specific Regulatory Compliance Measures (RCMs) in the City of Los Angeles. These measures regulate the grading and construction of projects in these particular types of "sensitive" locations and reduce any potential impacts to less than significant; thus, the following RCMs would apply:

- Regulatory Compliance Measure RC-GEO-1 (Seismic): The design and construction
 of the project shall conform to the California Building Code seismic standards as
 approved by the Department of Building and Safety.
- Regulatory Compliance Measure RC-HAZ-2: Explosion/Release (Methane Zone): As the Project Site is within a methane zone, prior to the issuance of a building permit, the Site shall be independently analyzed by a qualified engineer, as defined in Ordinance No. 175,790 and Section 91.7102 of the LAMC, hired by the Project Applicant. The engineer shall investigate and design a methane mitigation system in compliance with the LADBS Methane Mitigation Standards for the appropriate Site Design Level which will prevent or retard potential methane gas seepage into any new building or structure built on the site. The Applicant shall implement the engineer's design recommendations subject to CalGEM, LADBS and LAFD plan review and approval. Additional conditions to reduce and prevent odors, noise and dust from migrating into the adjacent neighborhood have been required

These RCMs have been historically proven to work to the satisfaction of the City Engineer to reduce any impacts from the specific environment of the Project Site. Thus, in conjunction with the above RCMs and compliance with other applicable regulations, the Project will not result in a significant impact based on its location.

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 Washington Boulevard and 4th Avenue, approximately 0.7 miles away from the project site. This site is no longer operational. 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 Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use.

Trees and plants will continue to line the exterior of the walls. The exterior walls will remain the same. Condition No. 23 requires the enclosure of the equipment within the production portion of the site consistent with other drill sites in the area. This will reduce impacts to noise and odors caused by the pumping of oil at the site and the generation of electricity by the on-site microturbines. Adjacent properties to the north, east, and west of the project site will remain zoned R3-1-O-HPOZ and R4-1-O-HPOZ. Properties to the north, east, and west of the project site are developed with single-family and multifamily residential, healthcare, and religious uses. Properties to the south across 27th Street will remain zoned RD2-1-O-HPOZ and developed with single-family residential buildings. 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. The Plan Approval has resulted in additional or modified conditions that will reduce the known impacts of odors, noise and dust that exist in the area. 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 15 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 Envirostar, 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 is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M.

The project site has not been identified individually as a potential historic resource in Survey LA, the citywide survey of Los Angeles, and is not designated individually as a historic resource. However, the project site is identified as a non-contributor within an identified historic district, the Jefferson Park Historic Preservation Overlay District. The site's non-contributor status is verified by the Historic Preservation Overlay Referral Form dated December 29, 2021.

A substantial adverse change in the significance of a historic resource means demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Condition No. 23 of the project requires that a maximum 45-foot high structure be constructed to contain noise, odor and other objectionable byproducts of oil drilling and retrieval and co-generation of electricity on the site. Because such a structure is located within the boundaries of the HPOZ, it is required by Section 12.20.3-L of the Municipal Code to receive a Certificate of Compatibility from the Director of Planning. The HPOZ's Historic Preservation Board will make a recommendation to the Director as to its compatibility with the HPOZ's Historic Preservation Plan. The Project would not result in any substantial adverse change to any historical resource, including to any neighboring contributing or altered contributing structures or to the HPOZ as a whole, and this exception does not apply.

Inquiries regarding this matter shall be directed to Sarahi Ortega, Planning Staff for the Department of City Planning at sarahi.ortega@lacity.org.

CHARLES J. RAUSCH, JR Associate Zoning Administrator

CJR:MS:CC:ds

cc: Councilmember Heather Hutt

Council District No.10

Adjoining Property Owners

Vincent P. Bertoni, AICP, Director, Los Angeles Department of City Planning

Captain Lawrence Salas, Los Angeles Fire Department

Royce Long, Los Angeles Fire Department

Erica L. Blyther, Office of Petroleum and Natural Gas Administration and Safety Catherine Nuezca Gaba, Code Enforcement, Department of Building and Safety

Jennifer Tobkin, Office of the City Attorney

Baldev Gill, California Geologic Energy Management Division

Jeff Holwager, Los Angeles County Fire Department - HHMD

Terrence Mann, South Coast Air Quality Management Division

Attachment:

Exhibit B - Oil Production Area outline

Exhibit B - ZA 1959-15227 (O)(PA6)



DEPARTMENT OF CITY PLANNING APPLICATION



APPLICATIONS:

DEPARTMENT OF CITY PLANNING LAND USE APPLICATION FOR OIL & GAS PROJECT CONDITIONAL APPROVAL LAMC 13.01

THIS BOX FOR CIT	Y PLANNING STAFF USE ONLY,
Case Number	959 15221-PAG
Env. Case Number	- 7445-GAF
Application Type Cil Plan Ay	god for Complouse Perier
Case Filed With (Print Name)	Date Filed 9/1/2021
All terms in this document are applicable to Due to the limited space available under each question, separ each item. These accompanying statements should be formed.	complete or inconsistent information will cause delays. the singular as well as the plural forms of such terms. attended statements may need to be attached by the applicant to fully answer attending a way that allows the reader to associate each answer with the uestion on this application.
Additional Required Documents. In addition to the applicable	required documents and/or statements required under each particular be required before the application is considered to be complete.
1. PROJECT LOCATION	
Street Address¹ 2126 West Adams Blvd	Unit/Space Number
Legal Description ² (Lot, Block, Tract) Lot A, Tract 9	154
Assessor Parcel Number 5052-032-010	Total Lot Area Approx. 3.25 acres
Please identify the Oil Drilling District Number and th Oil Drilling district U37 as established in 1959 by Ord	•
2. Project Description	
Present Use oil and gas production	
Proposed Use not applicable	
Project Name (if applicable) Review of Conditions	
Describe in detail the characteristics, scope and/or o	peration of the proposed project
City has requested a review of conditions and compl	ance with case No. ZA 15227(O)(PA4). See City
letter dated June 1, 2021.	
See E&B's letter dated July 29, 2021 including propo	sed good neighbor provisions including
air monitoring and annual inspections.	
s 	

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Street Addresses must include all addresses on the subject/application site (as identified in ZIMAS—http://zimas.lacity.org)
 Legal Description must include all contiguously owned properties (even if they are not a part of the proposed project site)

Complete and check all that apply:	
☐ Demolition of existing buildings/structures	☐ New construction:square feet
☐ Relocation of existing buildings/structures	☐ Accessory use (fence, sign, wireless, carport, etc.)
☐ Additions to existing buildings	☐ Exterior renovation or alteration
☐ Grading	☐ Change of use and/or hours of operation
☐ Removal of any on-site tree	☐ Uses or structures in public right-of-way
☐ Removal of any street tree	☐ Phased project
If the application involves oil drilling, re-drilling, dee	epening or well conversion:
State the number of wells involved in the request.	
Not applicable	
a Class A well or a Class B well, as defined by Los Ang Not applicable	eles Municipal Code Section 13.01.
Is there intent to further expand or develop this project in	in the future? ☐ YES ☑ NO
If Yes, describe the other parts of the project or the large	er project below, whether or not currently filed with the City:
Additional information attached ☐ YES ☑	NO

3. EXISTING SITE CONDITIONS

	Total wells on site currently: 30		
	Number of active wells: 27		
	Number of inactive wells 3		
	☐ Site is undeveloped or unimproved (i.e. vacant)	☐ Site is located within 500 feet of a free	way or railroad
	Site has existing buildings (provide copies of building permits)	☐ Site has special designation (e.g. Nation Register, Survey LA)	onal Historic
	Site is/was developed with use that could release hazardous materials on soil, in groundwater, or into the air	>	
Hov	v is applicant's property now zoned and what kind, if any, of	improvements are located thereon?	
	The site is classified in the [Q]R4-1-0 and [Q]R3-1-0 Zones	s. The site is improved with newer	
	technologies and upgraded equipment including tanks, cella	ars, air monitoring, and generators.	
Hov	v is adjacent property now zoned and what kind, if any, of im	provements are located thereon?	
	Residential. The nearest residential uses are east of the site	e on property zoned QR4-1-O. On the	
	South side of 27th street, properties are located in the RD2-		*
	from Adams Blvd., are zoned R4-1-O-HPOZ. Properties to		
):
4.	RELATED DEPARTMENT OF CITY PLANNING CASES		
	List all previous or pending cases/decisions/environmental of	learances for the drill site.	
	City requested to focus on PA4 and original case April 5, 19		
	list of all access		
E	OTHER ACENOV PERSON A CORPORATION		
	OTHER AGENCY REFERRALS/REFERENCE To help assigned staff coordinate with other Departments the all that apply and provide reference number if known.	nat may have a role in the proposed project, p	lease check
	Are there any outstanding Orders to Comply/citations at this	property?	□ NO
	Are there any recorded Covenants, affidavits or easements	on this property? YES (provide copy)	□ NO
	☐ Building and Safety Referral/Case No.		
	☐ Bureau of Engineering Referral/Case No		
	☐ Fire Department Referral/Case No		
	□ Department of Transportation Referral/Case No		

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☐ Los Angeles Department of Water and Power I	Referral	
☐ Other—specify		
O Promot Translation was (O I I I I I I I		
6. PROJECT TEAM INFORMATION (Complete all applical	ble fields)	
Applicant³ name <u>E&B</u>		
Company/Firm <u>E&B Natural Resources</u>		
Address: 249 East Ocean Blvd		Unit/Space Number 9th Floor
City Long Beach	State_CA	Zip Code: 90802
Telephone (562) 548-6800	E-mail: Izylstra(@ebresources.com
Are you in escrow to purchase the subject property?	☐ YES	☑ NO
Property Owner of Record ☐ Same as applica	ant 🛮 Differer	nt from applicant
Name (if different from applicant) Los Angeles Archd	iocese	
Address 3424 Wilshire Blvd		Unit/Space Number
City Los Angeles	State_CA	Zip Code: <u>90010</u>
Telephone (213) 637-7000	E-mail:	
Agent/Representative name Not applicable		
Company/Firm		
Address:		Unit/Space Number
City	State	Zip:
Telephone	E-mail:	
Other (Specify Architect, Engineer, CEQA Consultant	8	
Name		
Company/Firm		
Address:		
City		Zip Code:
Telephone	E-mail:	
Primary Contact for Project Information Ov (select only one)	vner	☑ Applicant
(Selectionly <u>one)</u>	ent/Representative	☐ Other
To ensure notification of any public hearing as well as		
label for each member of the project team in both the 1	,500-Foot Notification	List and the Abutting Property Owners List.

///

³ An applicant is a person with a lasting interest in the completed project such as the property owner or a lessee/user of a project. An applicant is not someone filing the case on behalf of a client (i.e. usually not the agent/representative).

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PROPERTY OWNER

- 9. PROPERTY OWNER AFFIDAVIT. Before the application can be accepted, the owner of each property involved must provide a notarized signature to verify the application is being filed with their knowledge. Staff will confirm ownership based on the records of the City Engineer or County Assessor. In the case of partnerships, corporations, LLCs or trusts the agent for service of process or an officer of the ownership entity so authorized may sign as stipulated below.
 - Ownership Disclosure. If the property is owned by a partnership, corporation, LLC or trust, a disclosure identifying the agent for service or process or an officer of the ownership entity must be submitted. The disclosure must list the names and addresses of the principal owners (25% interest or greater). The signatory must appear in this list of names. A letter of authorization, as described below, may be submitted provided the signatory of the letter is included in the Ownership Disclosure. Include a copy of the current partnership agreement, corporate articles, or trust document as applicable.
 - Letter of Authorization (LOA). A LOA from a property owner granting someone else permission to sign the application form may be provided if the property is owned by a partnership, corporation, LLC or trust or in rare circumstances when an individual property owner is unable to sign the application form. To be considered for acceptance, the LOA must indicate the name of the person being authorized the file, their relationship to the owner or project, the site address, a general description of the type of application being filed and must also include the language in items A-D below. In the case of partnerships, corporations, LLCs or trusts the LOA must be signed and notarized by the authorized signatory as shown on the Ownership Disclosure or in the case of private ownership by the property owner. Proof of Ownership for the signatory of the LOA must be submitted with said letter.
 - Grant Deed. Provide a Copy of the Grant Deed If the ownership of the property does not match City Records and/or if the application is for a Coastal Development Permit. The Deed must correspond exactly with the ownership listed on the application.
 - Multiple Owners. If the property is owned by more than one individual (e.g. John and Jane Doe or Mary Smith and Mark Jones) notarized signatures are required of all owners.
 - A. I hereby certify that I am the owner of record of the herein previously described property located in the City of Los Angeles which is involved in this application or have been empowered to sign as the owner on behalf of a partnership, corporation, LLC or trust as evidenced by the documents attached hereto.
 - B. I hereby consent to the filing of this application on my property for processing by the Department of City Planning.
 - C. I understand if the application is approved, as a part of the process the City will apply conditions of approval which may be my responsibility to satisfy including, but not limited to, recording the decision and all conditions in the County Deed Records for the property.
 - D. By my signature below, I declare under penalty of perjury under the laws of the State of California that the foregoing statements are true and correct.

Property Owner's signatures must be signed/notarized in the presence of a Notary Public. The City requires an original signature from the property owner with the "wet" notary stamp.

A Notary Acknowledge

the for water convenience on following page. Nationized + signed years in the binder Signature _____ Date _____ Print Name Signature _____ Date _____ Print Name

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Space Below For Notary's Use

California All-Purpose Acknowledgement	Civil Code ' 1189
A notary public or other officer completing this certificate verifies only the identity of the individu document, to which this certificate is attached, and not the truthfulness, accuracy, or validity of that do	
State of California	
County of	
On before me,	
(Insert Name of Notary Public and Title)	
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are substinstrument and acknowledged to me that he/she/they executed the same in his/her/their authorized caby his/her/their signature(s) on the instrument the person(s), or the entity upon behalf on which the executed the instrument.	pacity(ies), and that
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing pactorrect.	aragraph is true and
WITNESS my hand and official seal.	
(Seal)	

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APPLICANT

- 10. APPLICANT DECLARATION. A separate signature from the applicant, whether they are the property owner or not, attesting to the following, is required before the application can be accepted.
 - A. I hereby certify that the information provided in this application, including plans and other attachments, is accurate and correct to the best of my knowledge. Furthermore, should the stated information be found false or insufficient to fulfill the requirements of the Department of City Planning, I agree to revise the information as appropriate.
 - B. I hereby certify that I have fully informed the City of the nature of the project for purposes of the California Environmental Quality Act (CEQA) and have not submitted this application with the intention of segmenting a larger project in violation of CEQA. I understand that should the City determine that the project is part of a larger project for purposes of CEQA, the City may revoke any approvals and/or stay any subsequent entitlements or permits (including certificates of occupancy) until a full and complete CEQA analysis is reviewed and appropriate CEQA clearance is adopted or certified.
 - C. I understand that the environmental review associated with this application is preliminary, and that after further evaluation, additional reports, studies, applications and/or fees may be required. .
 - D. I understand and agree that any report, study, map or other information submitted to the City in furtherance of this application will be treated by the City as public records which may be reviewed by any person and if requested, that a copy will be provided by the City to any person upon the payment of its direct costs of duplication.
 - E. I understand that the burden of proof to substantiate the request is the responsibility of the applicant. Additionally, I understand that planning staff are not permitted to assist the applicant or opponents of the project in preparing arguments for or against a request.
 - F. I understand that there is no guarantee, expressed or implied, that any permit or application will be granted. I understand that each matter must be carefully evaluated and that the resulting recommendation or decision may be contrary to a position taken or implied in any preliminary discussions.
 - G. I understand that if this application is denied, there is no refund of fees paid.
 - H. I understand and agree to defend, indemnify, and hold harmless, the City, its officers, agents, employees, and volunteers (collectively "City), from any and all legal actions, claims, or proceedings (including administrative or alternative dispute resolution (collectively "actions"), arising out of any City process or approval prompted by this Action, either in whole or in part. Such actions include but are not limited to: actions to attack, set aside, void, or otherwise modify, an entitlement approval, environmental review, or subsequent permit decision; actions for personal or property damage; actions based on an allegation of an unlawful pattern and practice; inverse condemnation actions; and civil rights or an action based on the protected status of the petitioner or claimant under state or federal law (e.g. ADA or Unruh Act). I understand and agree to reimburse the City for any and all costs incurred in defense of such actions. This includes, but it not limited to, the payment of all court costs and attorneys' fees, all judgments or awards, damages, and settlement costs. The indemnity language in this paragraph is intended to be interpreted to the broadest extent permitted by law and shall be in addition to any other indemnification language agreed to by the applicant.
 - I. By my signature below, I declare under penalty of perjury, under the laws of the State of California, that all statements contained in this application and any accompanying documents are true and correct, with full knowledge that all statements made in this application are subject to investigation and that any false or dishonest answer to any question may be grounds for denial or subsequent revocation of license or permit.

The Ony requires an original signature from the applicant.	The applicant's signature below <u>does not</u> need to be notarized.
Signature:	Date:
Print Name:	

The City requires an original signature from the applicant. The applicant's signature helply does not need to be underly all

CP-7834 [09/14/2016]

CITY OF LOS ANGELES DEPARTMENT OF CITY PLANNING

ENVIRONMENTAL ASSESSMENT FORM FOR OIL AND GAS PROJECTS

LAMO	C 13.01
EAF Case No.: ZA Case No 15227 ZA Case No.: Council District No.: 10 Community Plan Area PROJECT ADDRESS: 2126 West Adams Blvd	CPC Case No.:a: \text{\text{West Adams-Baldwin Hills-Leimert Planning Area South Lest Argents}}
Major Cross Streets: West Adams Blvd; Arlington; Western Name of Applicant: E&B Natural Resources	
Address: 249 East Ocean Blvd, 9th Floor, Long Beach, CA 9 Telephone No.: (562) 548-6800 Fax No.:	E-mail: tcordova@ebresources.com
OWNER_A 1959 152	APPLICANT'S REPRESENTATIVE (Other than Owner)
Name: <u>E&B Natural Resources</u>	Name: <u>Louis Zylstra</u> (Contact Person)
Address: 249 East Ocean Blvd, 9th Floor, Long Beach	Address: 249 East Ocean Blvd, 9th Floor, Long Beach
Telephone No: (562) 548-6800	Telephone No: (562) 548-6800
Signature:	Signature:
	(Applicant's Representative)
each item. These accompanying statements should be formatted in a corresponding question on this application. Additional Required Documents. In addition to the applicable requires section of this form, additional documents may be required before the	d documents and/or statements required under each particular
1. DESCRIPTION OF THE PROJECT (Continue on an	other paper if necessary)
 i. Briefly describe the project and approvals neces future expansion: Review of Conditions 15227 (PA4) as requested by ZA. 	sary including an identification of phases and plans for
See E&B letter for additional clarifications and proposed	good neighbor provisions
	
Is the project for (check all that apply):	
☐ Drilling	
Re-drilling CP-7832 [09/14/2016]	Page 1 of 11
UF-7032 103/14/2010	1 490 101 11

	Deepening Conversion of a well from Class A to Class B or vice versa as defined by Los Angeles Municipal Code section 13.01 Re-work
_ 	f none of these apply, please describe the approval sought (change of conditions, etc.): Review of Conditions
	Neview of Conditions
-	
ii.	List all required and optional permits, certifications, authorizations, clearances, agreements, or other approvals by any federal, state, county, or environmental control agency, including, but not limited to, the Environmental Protection Agency (EPA), Air Quality Management District (AQMD), Water Resources Board (WRB), Division of Oil, Gas, and Geothermal Resources (DOGGR), the California Department of Fish and Wildlife (CDFW), the California Department of Toxic Substances Control (DTSC), California Department of Resources, Recycling, and Recovery (CalRecycle), California Department of Transportation (Caltrans), the U.S. Corp of Engineers, the U.S. Fish and Wildlife Service and the Bureau of Land Management.
	See attached
iii,	If the project involves more than one phase, please document each portion, with the total number of wells and details of each phase written below.
	Not applicable
2. E	XISTING CONDITIONS
i.	Provide a list of all API numbers for all existing wells at the drill site, along with each well's purpose
	(e.g., oil production, gas production, gas storage, EOR, waste injection, etc.):
	See attached

CP-7832 [09/14/2016] Page **2** of **11**

ii.	Check the applicable boxes and indicate the condition on the Plot Plan. There are □ natural or man-made drainage channels, □ rights of way and/or □ hazardous pipelines crossing or immediately adjacent to the property, or ☑ none of the above.
iii.	Is the project located in a Clean Up Green Up Overlay District (pursuant to Section 13.18 of Article 3 of Chapter 1 of the Los Angeles Municipal Code)?
	☐ Yes Vo
	If Yes , please describe:
iv.	Is any space or land use within 1500 feet of the boundary of the project site(s) designated a critical habitat, wildlife preserve or designated by any local, state or federal agency for purposes of the protection or preservation of flora or fauna?
	☐ Yes ☑ No If Yes, please describe:
٧.	Are there any residential uses located within 1,500 feet of the boundary of the project site(s)? ☑ Yes □ No
∨i.	Are there any residential uses located within 300 feet of the boundary of the project site(s)? ☑ Yes □ No
/ii.	Describe all sensitive land uses (as defined by SCAQMD or by City Guideline for air or noise impacts) by type and location within 1,500 foot radius of the boundary of the drill site(s), including, specifically, residential buildings, churches, schools, hospitals, playgrounds, nursing homes, day care or childcare centers, athletic facilities, long-term health care facilities, rehabilitation centers, convalescent centers, retirement homes, transient lodgings, libraries, hospitals, nursing homes, auditoriums, concert halls, amphitheaters or other places of assemble:
	See attached Maps
	

3. ENVIRONMENTAL FACTORS:

A. Air Quality and Greenhouse Gases May the intended use of the drill site or purpose of the project require reporting to the South Coast Air i. Quality Management District under District Rule 1148.2? ☐ No √ Yes May the intended use of the project involve, produce, or result in current or future air toxics pursuant to ii. the Air Toxics "Hot Spots" Information and Assessment Act (Health & Safety Code § 44300 et seq.) and South Coast Air Quality Management District Rule 1148.2, Appendix A-I? ✓ No ☐ Yes May the project result in increased production of oil or gas from the drill site? iii. ✓ No ☐ Yes If Yes, please describe: There is no project Has the operator received any Notice of Violation, requests to comply, or other similar notifications or iv. orders from the South Coast Air Quality Management District, the EPA, or other agency with air quality oversight responsibility in the last ten years? ☐ No √ Yes If Yes, please describe, and attached the notice, request, etc. See attached B. Aesthetics, Light, Noise May the project involve or include equipment, storage tanks, or other structures visible from outside the i. drill site? ✓ No ☐ Yes If Yes, please describe (including whether the equipment or structure is permanent or temporary):

May the project create new sources of substantial light or glare, visible from outside the drill site,

[√] No

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especially at night?

☐ Yes

ii.

If Yes	, please describe (including whether permanent or temporary):
iii.	May the project create new sources of noise from construction or operation?
	☐ Yes ☑ No
	If Yes , please describe (including whether permanent or temporary):
C. Wa	ter Quality & Hydrology
i.	Have any wells at the drill site had any leaks, blow outs, fractures, or other incidents in the last ten
	years? (Please provide API numbers, dates of incidents, type of incidents, and work done to repair or
	resolve the incident.)
	No. We've operated the wells since October 2019 and we are not aware of any since that time
ii.	Has the operator received any Notice of Violation, requests to comply, or other similar notifications or orders from any state or regional water board, EPA, or other agency with water quality oversight responsibilities in the last ten years for violations of any water quality standards, or storm water or waste discharge requirements?
	☐ Yes ☑ No
	If Yes, please describe the violation and the work done to resolve and/or remediate it. Please attach a
	copy of the violation.
	We've operated the facility since October 2019 and we are not aware of any since that time
D. Haz	zards and Hazardous Materials
i.	May the project and/or its intended use involve transport to, onsite storage, use, and/or disposal of acids, chemicals, odorants, or other hazardous materials at any point?
	☐ Yes ☑ No
	If Yes , please describe:
	There is no project proposed. Existing operations are regulated by CUPA

CP-7832 [09/14/2016]

			n(s) in case of a spill or release of a hazardo	
material, fire, e	explosion, leak	or other incidents?	(
7	Yes	☐ No		
If Yes , please a	attach the plar	(s).		
Does the drill site have any risk management plan(s) in place?				
V	Yes	□ No		
If Yes , please a	attach the plar	ı(s).		
			subsurface safety valves?	
	Yes	☑ No		
If Yes, please o	describe:			
×				
May the intend	lad use of the	orojast involva a sir	unificant hazard to the nublic or the environme	
			gnificant hazard to the public or the environme	
through the rou	utine transport	use, or disposal of	gnificant hazard to the public or the environme f hazardous materials?	
through the rou				
through the rou	utine transport	use, or disposal of		
through the rou	utine transport	use, or disposal of		
through the rou	utine transport	use, or disposal of		
through the rou	utine transport	use, or disposal of		
through the rou	utine transport	use, or disposal of		
through the rou	utine transport	use, or disposal o	f hazardous materials?	
If Yes, please of	Yes describe:	use, or disposal o		
If Yes, please of	tine transport Yes describe: led use of the eseeable upsenment?	use, or disposal o	nificant hazard to the public or the environme	
If Yes, please of the many the intended reasonably foreinto the environment.	tine transport Yes describe: led use of the eseeable upsenment?	use, or disposal of No No Project create a sign and accident conditions	nificant hazard to the public or the environme	

59		
	•	of the project involve, create, or emit hazardous emissions or handle hazardound materials, substances, or waste.
	□ Yes	☑ No
9	If Yes , please descr	> :
20		
	=	ocated on a site which is included on a list of hazardous materials sites compil nt Code Section 65962.5 and, as a result, may it create a significant hazard to onment?
	☐ Yes	☑ No
	If Yes, please descr	9 :
1		
i.		I new trips from operations and construction:
ii.		on or operation of the project potentially result in or create any risks or hazards ars, bicyclists or pedestrians and trips generated by the project:
	□Yes	☑ No
	☐ Yes	

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F. Geology & Soils

	☐ Yes	☑ No	
If Yes, pl	lease describe:		
_	intended use of th the well cement o	ne project involve an injection at pressures that could have the poter r casing?	tia
	☐ Yes	☑ No	
If Yes , pl	lease describe:		
May the	intended use of t	he project involve injection at pressures that could fracture the forma	tio
May the	intended use of t ☐ Yes	he project involve injection at pressures that could fracture the forma	tio
·			tio
·	☐ Yes		tio
·	☐ Yes		tio
If Yes , pl	☐ Yes lease describe:		ıtio
If Yes , pl	☐ Yes lease describe: rovide a map of a	☑ No	
If Yes , pl	☐ Yes lease describe: rovide a map of a	☑ No Il known earthquake faults at the drill site. erienced seismic activity, including subsidence, landslide, collapse, s	
Please p	☐ Yes lease describe: rovide a map of a drill site ever expense, compaction,	☑ No Il known earthquake faults at the drill site. erienced seismic activity, including subsidence, landslide, collapse, sor strong seismic shaking?	

4.	Additional Information				
i.	May the project or its intended use involve acidizing (the use of acids for stimulation, maintenance, cleaning, or enhanced production); gravel packing; hydraulic fracturing; other well stimulation treatment or, other enhanced oil recovery techniques (steam flooding, cyclic steam injection, water flooding, etc.)				
	☐ Yes ☑ No				
<u>No</u>	If Yes , please describe: project submitted				
ii.	Does use of wells in the oil site currently involve or may they involve acidizing (the use of acids for stimulation, maintenance, cleaning, or enhanced production); gravel packing; hydraulic fracturing; other well stimulation treatment; or, other enhanced oil recovery techniques (steam flooding, cyclic steam injection, water flooding, etc.)?				
	✓ Yes □ No If Yes , please describe: st oilfield practices include routine cleaning which we adhere to; secondary recovery water flood under the direction regulatory framework of the State.				
_	<u> </u>				
iii.	Are any of the wells designated as "critical wells" pursuant to the California Code of Regulations, Title 14, Section 1720(a)? ✓ Yes No				
<u>All v</u>	If Yes, which ones, and what are the grounds for the "critical well" designation? wells are within 300 feet of buildings intended for human occupancy as defined by Calfironia Code of Regulations				
iv.	Identify all proposed changes in the depth or size of existing wells.				
	Not applicable.				

V.	Describe all drilling equipment to be used and the source of power for that equipment. Not applicable.				
	No drilling taking place.				
vi.	Describe all production equipment used at the site and the source of power for that equipment.				
	Review of conditions only.				
	Plot plan provided. Sources of power are existing micro turbines on site and LADWP.				
vii.	Describe how oil will be removed from the site.				
	There is no project. Oil is currently removed via pipeline for existing operations.				
viii.	If the project involves drilling, re-drilling, deepening, or rework, please estimate how long drilling operations will take:				
ix.	Please state the current hours of operation:				
	✓ weekdaysa.mp.m.✓ weekendsa.mp.m.				
х.	Describe night lighting of the project. Include plan for shielding light from adjacent uses, if available.				
xi.	Number of employees per shift 1 min				
xii.	Describe security provisions for drill site guarded gate. Walls. 24 hour on site personnel. Cameras.				
4.	Mitigating Measures/Alternatives:				
	Please describe any feasible alternatives or mitigation measures which would substantially lessen any significant adverse impact which the development may have on the environment. No development.				
	See letter to City for proposed good neighbor provisions.				

APPLICANT/CONSULTANT'S AFFIDAVIT

OWNER MUST SIGN AND BE NOTARIZED. IF THERE IS AN AGENT, THE AGENT MUST ALSO SIGN AND BE NOTARIZED

I,	I,	
Owner (Owner i	•	Consultant*
(Please Pr	int)	(Please Print)
Signed:	Signed:	
Owner		Agent
	t the statements and information correct to the best of my knowled	contained in this Environmental Assessment Form ge and belief.
***********	**************************************	Notary's Use***********************************
	ALL-PURPOSE ACKNO	WLEDGMENT
State of California		
County of		
On	before me,	me of Notary Public and Title)
the same in his/her/their author	re subscribed to the within instrumer	red to me on the basis of satisfactory evidence to be the at and acknowledged to me that he/she/they executed er/their signature(s) on the instrument the person(s), or instrument.
I certify under PENALTY O is true and correct.	F PERJURY under the laws of th	e State of California that the foregoing paragraph
WITNESS my hand and off	icial seal.	
	(Seal)	
Signature		

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ENVIRONMENTAL REPORT

COUNTY CLERK'S USE

CITY OF LOS ANGELES

OFFICE OF THE CITY CLERK 200 NORTH SPRING STREET, ROOM 395 LOS ANGELES, CALIFORNIA 90012

CALIFORNIA ENVIRONMENTAL QUALITY ACT

NOTICE OF EXEMPTION

(PRC Section 21152; CEQA Guidelines Section 15062)

Pursuant to Public Resources Code § 21152(b) and CEQA Guidelines § 15062, the notice should be posted with the County Clerk by mailing the form and posting fee payment to the following address: Los Angeles County Clerk/Recorder, Environmental Notices, P.O. Box 1208, Norwalk, CA 90650. Pursuant to Public Resources Code § 21167 (d), the posting of this notice starts a 35-day statute of limitations on court challenges to reliance on an exemption for the project. Failure to file this notice as provided above, results in the statute of limitations being extended to 180 days. PARENT CASE NUMBER(S) / REQUESTED ENTITLEMENTS ZA-1959-15227-O-PA6 CASE NUMBER LEAD CITY AGENCY ENV-2021-7445-CE City of Los Angeles (Department of City Planning) COUNCIL DISTRICT PROJECT TITLE 10 - Hutton Murphy Drill Site Compliance Review ☐ Map attached. PROJECT LOCATION (Street Address and Cross Streets and/or Attached Map) 2126 West Adams Blvd □ Additional page(s) attached. PROJECT DESCRIPTION: The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Project does not involve the approval of new wells or conversion of existing wells nor will the Project result in a change the number of wells as the capacity of the oil and gas extraction facility will remain the same as it was at the time of the application submittal (September 1, 2021). Therefore, this will not result in any expansion of use at the well site. NAME OF APPLICANT / OWNER: Theodore Cordova, c/o E & B Natural Resources, 249 East Ocean Blvd, Long Beach, CA 90802 EXT. (AREA CODE) TELEPHONE NUMBER CONTACT PERSON (If different from Applicant/Owner above) (562) 548-6806 Theodore Cordova, c/o E & B Natural Resources EXEMPT STATUS: (Check all boxes, and include all exemptions, that apply and provide relevant citations.) STATE CEQA STATUTE & GUIDELINES STATUTORY EXEMPTION(S) Public Resources Code Section(s) _ CATEGORICAL EXEMPTION(S) (State CEQA Guidelines Sec. 15301-15333 / Class 1-Class 33) CEQA Guideline Section(s) / Class(es) 15301/-Class 1, 15303/-Class 3, 15305/-Class 5, 15308/-Class 8, and 15321/-OTHER BASIS FOR EXEMPTION (E.g., CEQA Guidelines Section 15061(b)(3) or (b)(4) or Section 15378(b)) Additional page(s) attached JUSTIFICATION FOR PROJECT EXEMPTION: See document attached (pages 5 of 5). ☑ None of the exceptions in CEQA Guidelines Section 15300.2 to the categorical exemption(s) apply to the Project. ☐ The project is identified in one or more of the list of activities in the City of Los Angeles CEQA Guidelines as cited in the justification. IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT ISSUED BY THE CITY PLANNING DEPARTMENT STATING THAT THE DEPARTMENT HAS FOUND THE PROJECT TO BE EXEMPT. If different from the applicant, the identity of the person undertaking the project. CITY STAFF USE ONLY: STAFF TITLE

CITY PLANNER

ENTITLEMENTS APPROVED Plan Approval DISTRIBUTION: County Clerk, Agency Record

CITY STAFF NAME AND SIGNATUR

Rev. 6-22-2021

EDBER MACEDO

MISCELLANEOUS REPORTS





David Shabazian, Director Uduak-Joe Ntuk, California State Oil and Gas Supervisor California Department of Conservation 801 K Street, MS 24-01 Sacramento, CA 95814

October 1, 2021

RE: Response to CalGEM Questions for the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel

Director Shabazian and Supervisor Ntuk,

Please find attached the responses from the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel to the written questions sent by the California Geologic Energy Management Division (CalGEM) on August 31, 2021.

We would be glad to answer any further questions that may arise.

Best Regards,

Seth B.C. Shonkoff, PhD, MPH

Co-Chair, California Oil and Gas Public Health Rulemaking Scientific Advisory Panel Executive Director, PSE Healthy Energy

Visiting Scholar, Department of Environmental Science, Policy, and Management, University of California, Berkeley

Affiliate, Energy Technologies Area, Lawrence Berkeley National Lab

Rachel Morello-Frosch, PhD, MPH

Co-Chair, California Oil and Gas Public Health Rulemaking Scientific Advisory Panel Professor, Department of Environmental Science, Policy and Management & School of Public Health, University of California, Berkeley, Berkeley CA

Joan A. Casey, PhD, MA

Assistant Professor, Department of Environmental Health Sciences, Columbia University Mailman School of Public Health, New York, New York

Nicole Deziel, PhD, MHS

Associate Professor, Department of Environmental Health Sciences, Yale School of Public Health, Yale University, New Haven, Connecticut

Dominic C. DiGiulio, PhD, MS

Senior Research Scientist, PSE Healthy Energy

Affiliate, Department of Civil, Environmental, and Architectural Engineering, University of Colorado, Boulder

Stephen Foster, PhD

Senior Principal, Geosyntec Consultants

Robert Harrison, MD and MPH

Clinical Professor of Medicine, Division of Occupational and Environmental Medicine, University of California San Francisco

Jill Johnston, PhD, MS

Assistant Professor of Environmental Health, Department of Population and Public Health Sciences, Keck School of Medicine, University of Southern California

Kenneth Kloc, PhD and MPH

Staff Toxicologist, Office of Environmental Health Hazard Assessment, California EPA

Lisa McKenzie, PhD and MPH

Clinical Assistant Professor, Department of Environmental and Occupational Health, Colorado School of Public Health, University of Colorado Denver Anschutz Medical Campus

Thomas McKone, PhD

Professor Emeritus, School of Public Health, University of California, Berkeley Affiliate, Energy Technologies Area, Lawrence Berkeley National Laboratory

Mark Miller, MD, MPH

Director, Children's Environmental Health Center, Office of Environmental Health Hazard Assessment, California EPA

Associate Clinical Professor, Division of Occupational and Environmental Medicine, University of California, San Francisco

Andrea Polidori, PhD

Advanced Monitoring Technologies Manager, South Coast Air Quality Management District

CalGEM Questions for the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel

CalGEM requests the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel assistance with the following questions:

1. How would the panel characterize the level of certainty that proximity to oil and gas extraction wells and associated facilities in California causes negative health outcomes? Is there a demonstrated causal link between living near oil and gas wells and associated facilities and health outcomes?

We have focused our review on epidemiological studies carried out in multiple oil and gas regions, including Colorado, which has a similar regulatory context as California. Given that similar environmental health hazards and risks are intrinsic to both conventional and unconventional oil and gas development (OGD), including exposure pathways, chemicals associated with hydrocarbon reservoirs, use of ancillary equipment, and non-chemical stressors (See section on "Similarities and Differences Between Unconventional and Conventional OGD"), the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel (Panel) concludes that the full body of epidemiologic literature is relevant to assess the human health hazards, risks and impacts of upstream OGD in California.

Our Panel concludes with a high level of certainty¹ that the epidemiologic evidence indicates that close residential proximity to OGD is associated with adverse perinatal and respiratory outcomes, for which the body of human health studies is most extensive in California and other locations.

Studies on Oil and Gas Development and Perinatal Outcomes

Perinatal outcome studies provide the largest [19 studies]² and strongest body of evidence linking OGD exposure during the sensitive prenatal period with adverse health effects. The majority of studies that examine perinatal effects found increased risk of adverse birth outcomes in those most exposed to OGD (measured using metrics including, but not limited to proximity, well density, and production volume). It should also be noted that adverse perinatal outcomes, including preterm births, low birth weight, and small-for-gestational age births

¹ In this document, the statement, "a high-level of certainty" is based on the professional judgement of all California Oil and Gas Public Health Rulemaking Scientific Advisory Panel (Panel) members in their assessment of the scientific evidence. In terms of panel process, all Panel members agree with the responses to the questions in this document. Any Panel member could have written a dissenting opinion, but no one requested to do so. This document reflects the perspective of the Panel members and not necessarily the opinions of their employers or institutions.

² Apergis et al., 2019; Busby & Mangano, 2017; Caron-Beaudoin et al., 2020; Casey et al., 2016; Currie et al., 2017; Cushing et al., 2020; Gonzalez et al., 2020; Hill, 2018; Janitz et al., 2019; Ma, 2016; McKenzie et al., 2014, 2019; Stacy et al., 2015; Tang et al., 2021; Tran et al., 2020, *Forthcoming*; Walker Whitworth et al., 2018; Whitworth et al., 2017; Willis et al., 2021.

increase the risk of mortality and long-term developmental problems in newborns (Liu et al., 2012; Vogel et al., 2018) as well as longer term morbidity through adulthood (Baer et al., 2016; Barker, 1995; Carmody & Charlton, 2013; Frey & Klebanoff, 2016).

Perinatal Outcomes Associated with Conventional and Unconventional Oil and Gas Development

While many perinatal outcome studies outside of California focus on unconventional OGD (e.g., high-volume hydraulic fracturing), a recent review of the literature (Deziel et al., 2020), highlighted the need for an updated assessment of the health effects associated with OGD more generally, as both conventional and unconventional OGD operations present health risks, especially to those living in close proximity. This bolsters conclusions reached by the authors of the 2015 independent scientific study of hydraulic fracturing and well stimulation in California led by the California Council on Science and Technology (CCST) (Long et al., 2015) pursuant to Senate Bill 4 (2013, Pavley). Recent studies in California have reported associations between exposure to OGD and adverse birth outcomes, considering wells under production using enhanced oil recovery including cyclic steam injection, steam flooding and water flooding -- methods that do not meet the definition of unconventional development (Gonzalez et al., 2020; Tran et al., 2020, Forthcoming). Similar findings regarding adverse birth outcomes have been reported while examining unconventional OGD in Colorado, Oklahoma, Pennsylvania and Texas (Apergis et al., 2019; Casey et al., 2016; Cushing et al., 2020; Gonzalez et al., 2020; Hill, 2018; McKenzie et al., 2019; Stacy et al., 2015; Walker Whitworth et al., 2018; Whitworth et al., 2017). In the California independent scientific study on well stimulation pursuant to Senate Bill 4 (2013, Pavley), the authors concluded that while hydraulic fracturing introduces some specific human health risks, the majority of environmental risks and stressors are similar across conventional and unconventional oil and gas operations (Long et al., 2015; Shonkoff et al., 2015). Further, a handful of epidemiological studies explicitly examine potential differences in associations between conventional or unconventional oil or natural gas development and adverse outcomes. For example, Apergis et al. (2019) reported statistically significant reductions in infant health index within 1 km of both conventional and unconventional drilling sites in Oklahoma. In summary, the Panel concludes with a high level of certainty that human health studies focused on unconventional and conventional OGD are relevant to consider in the California context where conventional development is most prevalent.

Consistency Across Perinatal Epidemiology Studies

We have a high level of certainty in the findings in the body of epidemiological studies for perinatal health outcomes because of the consistency of results across multiple studies that were conducted using different methodologies, in different locations, with diverse populations, and during different time periods (see **Table 1** below). Most of these studies entail rigorous, high quality analyses (i.e., study designs that establish temporality based on large sample sizes, control for potential individual and area-level confounders, apply rigorous statistical

modelling techniques, and conduct sensitivity analyses to assess the robustness of effects). A variety of pollutants (e.g., PM_{2.5} and air toxics) and other OGD stressors are associated with these same adverse birth outcomes (Dzhambov & Lercher, 2019; Nieuwenhuijsen et al., 2017; Shapiro et al., 2013), which further strengthens the evidence of the link between OGD and adverse perinatal outcomes. Therefore, the totality of the epidemiological evidence provides a high level of certainty that exposure to OGD (and associated exposures) cause a significant increased risk of poor birth outcomes.

Further, imprecision in exposure assessment or non-differential exposure misclassification in some of the epidemiological studies is more likely to attenuate observed relationships, thus leading to an underestimate of the true adverse impacts of OGD on birth outcomes (Figure 1). In environmental epidemiologic studies, researchers often use surrogates to estimate exposures or assign individuals to exposure categories; these surrogates have some measurement error associated with them. When these errors in assigning or classifying participant exposures are similar between exposed and unexposed or those with or without the health outcome, this is referred to as non-differential exposure misclassification. This type of "noise" in the data tends to dilute or attenuate the true exposure-response relationship, as illustrated by the hypothetical dashed line in Figure 1, which has a shallower slope compared to the hypothetical "true" solid line.

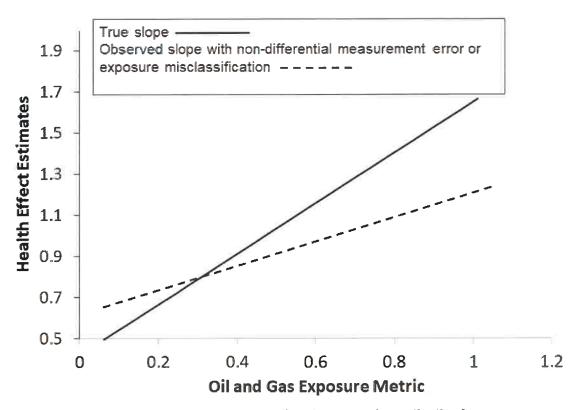


Figure 1. Effect of imprecise exposure estimates on a hypothetical exposure-response relationship (Source: Adapted from Seixas & Checkoway, 1995).

Respiratory Risks and Impacts from Oil and Gas Development

Respiratory health outcomes are the second most studied health outcomes in the epidemiological literature examining OGD, with eight peer-reviewed studies published to date. Two peer-reviewed studies in California found an association between OGD and self-reported and physician-diagnosed asthma, reduced lung function, and self-reported acute respiratory symptoms (e.g., recent wheeze) (Johnston et al., 2021; Shamasunder et al., 2018). Six studies in other oil and gas regions (Pennsylvania and Texas) reported an association between OGD and asthma exacerbations, asthma hospitalizations, and respiratory symptoms (Koehler et al., 2018; Peng et al., 2018; Rabinowitz et al., 2015; Rasmussen et al., 2016; Willis et al., 2018, 2020).

Epidemiological studies, by design, often use aggregate measures of exposure to account for multiple potential stressors and pathways associated with OGD (e.g., air pollution, noise pollution, groundwater and/or drinking water contamination). Many criteria air pollutants (e.g., particulate matter, ozone, nitrogen oxides) and hazardous air pollutants emitted from OGD have a well-established body of scientific literature indicating that exposure to these pollutants causes an increased risk of development and exacerbation of respiratory disease (Bolden et al., 2015; Ferrero et al., 2014). We reiterate the relevance of studies on both conventional and unconventional OGD for respiratory health outcomes. For example, (Willis et al., 2020) found that both conventional and unconventional natural gas development at the ZIP code level was associated with pediatric asthma hospitalizations in Texas.

Comparing The Body of Perinatal and Respiratory Outcome Studies Against The **Bradford Hill Criteria for Causation**

Below, we demonstrate how the body of epidemiological studies on the relationship between OGD and perinatal and respiratory outcomes meets the nine Bradford Hill Criteria for Causation (Hill, 1965; Lucas & McMichael, 2005). The Bradford Hill Criteria are used to evaluate the strength of epidemiological evidence for determining a causal relationship between an exposure and observed effect. These criteria are widely used in the field of epidemiology and public health practice to guide decision-making. After considering these criteria, the Panel concludes with a high level of certainty that there is a causal relationship between close geographic proximity to OGD and adverse perinatal and respiratory outcomes (Table 1).

Table 1. Application of the Bradford Hill Criteria for Causation to the peer-reviewed epidemiological literature on oil and gas development and perinatal and respiratory health outcomes.

Criteria for Causation (Bradford-Hill)	Description of Criteria	Perinatal Health Studies	Respiratory Health Studies
Strength of Association	Environmental studies commonly report modest effects sizes (i.e., relative to active tobacco smoking or alcohol consumption). A small magnitude of association can support a causal relationship, a larger association may be more convincing.	Reported effect sizes are in ranges similar to other well-established environmental reproductive and developmental hazards, such as PM _{2.5} (Dadvand et al., 2013; C. Li et al., 2020). Some studies, particularly those in California, have found stronger effect estimates for OGD exposures among socially marginalized groups (Cushing et al., 2020; Gonzalez et al., 2020; Tran et al., 2020, <i>Forthcoming</i>).	Reported effect sizes are in ranges similar to other well-established environmental respiratory hazards. For example, effect sizes in reductions in lung function by Johnston et al. (2021) are similar in magnitude to reductions in lung function associated with secondhand smoke exposure among women (Eisner, 2002) and reductions in lung function among adults living near busy roadways (e.g., (Kan et al., 2007).
Consistency	Consistent findings observed by different persons in different places with different samples strengthens the likelihood of an effect.	Adverse birth outcomes have been observed in multiple studies using multiple methods in different populations at different times and locations (e.g., California, Pennsylvania, Colorado, Texas). While there is some variation in findings by specific perinatal outcomes, the overall body of evidence is highly consistent in supporting the association between OGD and adverse perinatal outcomes.	Various respiratory health outcomes are evaluated in the literature. For asthma the most commonly studied respiratory health outcome studies across California, Pennsylvania and Texas consistently show an association between OGD and asthma-related metrics (asthma prevalence, exacerbations, pediatric hospitalizations) (Koehler et al., 2018; Rasmussen et al., 2016; Shamasunder et al., 2018; Willis et al., 2018, 2020).

Criteria for Causation (Bradford-Hill)	Description of Criteria	Perinatal Health Studies	Respiratory Health Studies
Specificity	Causation is likely if there is no other likely explanation.	All peer-reviewed birth outcome studies included in our review controlled for other potential confounders by (i) accounting or adjusting for other individual-level or area-level factors (e.g., other air pollution sources, neighborhood socioeconomic status) in the analysis (Casey et al., 2016; McKenzie et al., 2014; Tran et al., 2020, Forthcoming). Other studies applied statistical modeling approaches such as difference-in-difference that accounts for temporal and spatial trends that may confound observed effects (Willis et al., 2021).	Most respiratory health studies have controlled for other potential explanatory or confounding factors by (i) accounting or adjusting for other individual-level (e.g., smoking status) or area-level factors (e.g., other air pollution sources) in the analysis (Johnston et al., 2021; Koehler et al., 2018; Peng et al., 2018; Rabinowitz et al., 2015; Rasmussen et al., 2016; Willis et al., 2018, 2020), or in the study design, such as utilizing a difference-in-difference methodology (Peng et al., 2018; Willis et al., 2018).
Temporality	Exposure precedes the disease.	Most birth outcomes studies have proper temporal alignment between exposure and outcome and use a retrospective cohort, case control or other study design that allows retroactive assessment of exposures to OGD occurring before the onset of disease. They do not consider exposure that occurred at the time of disease or oil and gas wells drilled after the disease.	Some respiratory health studies do not allow for assessments of exposure that predate disease. However, of the studies with the proper temporal alignment (Johnston et al., 2021; Koehler et al., 2018; Peng et al., 2018; Rasmussen et al., 2016; Willis et al., 2018), authors report statistically significant associations between OGD and oral corticosteroid medication orders, asthma hospitalizations and asthma-related emergency department visits.

Criteria for Causation (Bradford-Hill)	Description of Criteria	Perinatal Health Studies	Respiratory Health Studies
Biological Gradient (Dose-Response)	Greater exposure leads to a greater likelihood of the outcome.	Some studies have found dose- response relationships based on oil and gas production volume categories or metrics of inverse distance weighting and/or oil and gas well density in California and elsewhere (Casey et al., 2016; McKenzie et al., 2014, 2019; Tang et al., 2021; Tran et al., 2020).	Larger reductions in lung function observed with decreased distance from active oil development sites (Johnston et al., 2021).
Plausibility	The exposure pathway and biological mechanism is plausible based on other knowledge.	Individual health-damaging chemical pollutants are well-understood to be emitted from OGD (e.g., PM _{2.5} , benzene) and established as contributing to increased risk for the same adverse perinatal outcomes observed in the epidemiology studies. Stressors associated with OGD (e.g., psychosocial stress; (Casey et al., 2019) can also contribute to increased adverse perinatal outcomes.	Many air pollutants associated with OGD are well-known to contribute to respiratory morbidity and mortality, including exacerbations of existing respiratory conditions (Guarnieri & Balmes, 2014).
Coherence	Causal inference is possible only if the literature or substantive knowledge supports this conclusion.	In particular, the body of peer-reviewed literature is converging towards singular directions for adverse perinatal outcomes.	The body of peer-reviewed literature points in a singular direction for adverse respiratory health outcomes.

Criteria for Causation (Bradford-Hill)	Description of Criteria	Perinatal Health Studies	Respiratory Health Studies
Experiment	Causation is a valid conclusion if researchers have seen observed associations in prior experimental studies.	N/A- Human population-based experimental studies are not available due to ethical issues.	N/A- Human population-based experimental studies are not available due to ethical issues.
Analogy	For similar programs operating, similar results can be expected to bolster the causal inference concluded.	Pollutants well known to be emitted during OGD including benzene, toluene and 1,3 butadiene are listed as reproductive or developmental toxicants under Prop 65 and thus are recognized as such by the State of California (CalEPA OEHHA, 2021). EPA's current Integrated Science Assessments of particulate matter and tropospheric ozone conclude that the evidence is suggestive of, but is not sufficient to infer, a causative relationship between birth outcomes, including preterm birth and low birth weight, and PM _{2.5} and long term ozone exposures (US EPA, 2019, 2020). Additionally, increased stress during pregnancy can alter fetal growth and length of gestation (Fink et al., 2012).	EPA's current Integrated Science Assessments of particulate matter and tropospheric ozone conclude that there is: a casual relationship between respiratory outcomes, including asthma and short terrozone exposure; and likely a causal relationship between respiratory outcomes including asthma and: short and long term PM _{2.5} exposure; and long term ozone exposure (US EPA, 2019, 2020).

Similarities and Differences Between Unconventional and Conventional Oil and Gas Development

Though definitions of conventional and unconventional OGD may differ across different regulatory and policy landscapes, the majority of OGD in California is often considered conventional, involving vertical drilling at shallower depths into target geologies that hold migrated hydrocarbons. These attributes of development are often considered in contrast to unconventional OGD, which can involve horizontal directional drilling in deeper wells to access source rock formations by increasing the permeability of these tight formations using mostly hydraulic fracturing. In addition, these unconventional operations are often accompanied with greater masses of material inputs (e.g., water, chemical additives, proppants) and a greater magnitude of liquid and solid waste outputs (e.g., flowback fluids and produced water). It should be noted, however, that hydraulic fracturing that takes place in California often uses fluids (gels) with higher concentrations of well stimulation chemicals than those fluids used in high-volume slick water hydraulic fracturing of source rock in other parts of the United States (Long et al., 2015).

However, many environmental and health hazards and risks are intrinsic to both conventional and unconventional OGD (Hill et al., 2019; Jackson et al., 2014; Lauer et al., 2018; Stringfellow et al., 2017; Zammerilli et al., 2014). PM_{2.5} and nitrogen oxides emissions result from the use of diesel-powered equipment and trucks and hazardous air pollutants such as benzene, toluene, ethylbenzene and xylene (BTEX) occur naturally in oil and gas formations, regardless of the type of extraction method employed. Noise pollution, odors, and landscape disruption are inherent to OGD. Investigations in other oil and gas states have noted radioactivity on particles downwind from unconventional oil and gas wells (Li et al., 2020b) and in sediment downstream of water treatment plants that treat waste from conventional as well as unconventional oil and gas operations (Burgos et al., 2017; Lauer et al., 2018).

In California, policy, regulatory and scientific emphasis has been placed on well stimulation activities, including hydraulic fracturing, matrix acidizing and acid fracturing. The 2015 Independent Scientific Assessment on Well Stimulation in California, which focused primarily on well stimulation activities pursuant to Senate Bill 4 (2013, Pavley), reported the following key conclusion: "The majority of impacts associated with hydraulic fracturing are caused by the indirect impacts of oil and gas production enabled by the hydraulic fracturing" (Long et al., 2015). Indirect impacts relevant to human health for the purposes of the study included: "proximity to any oil production, including stimulation- enabled production, could result in hazardous emissions to air and water, and noise and light pollution that could affect public health" (Long et al., 2015). Additionally, a recent evaluation of chemical usage during OGD in California found significant overlap in chemical additives used for well stimulation (including hydraulic fracturing) and those used in routine activities, such as well maintenance (Stringfellow et al., 2017).

2. What are the air pollutants released from these activities that cause negative health outcomes? How do we know exposure to these is likely from oil and gas extraction wells and associated facilities, as opposed to other sources?

The wells, valves, tanks and other equipment used to produce, store, process and transport petroleum products at both unconventional and conventional OGD sites are associated with emissions of toxic air contaminants, hazardous air pollutants and other health-damaging nonmethane VOCs (Helmig, 2020; Moore et al., 2014). Diesel engines used to power on-site equipment and trucks at unconventional and conventional OGD sites directly emit health-damaging hazardous air pollutants, fine particulate matter (PM2.5), nitrogen oxides and volatile organic compounds (VOCs) (CalEPA OEHHA, 2001). Many VOCs and nitrogen oxides are precursors to ground level ozone (O3) formation, another known health harming pollutant. Hazardous air pollutants that are known to be emitted from OGD sites include benzene, toluene, ethylbenzene, xylenes, hexane and formaldehyde--many of which are known, probable or possible carcinogens and/or teratogens and which have other adverse effects for non-cancer health outcomes (CalEPA OEHHA, 2008, 2009; Moore et al., 2014). In the San Joaquin Valley Air Pollution Control District, OGD activities are responsible for the majority of emissions of multiple toxic air contaminants including acetaldehyde, benzene, formaldehyde, hexane and hydrogen sulfide (Figure 2) (Brandt et al., 2015; Long et al., 2015).

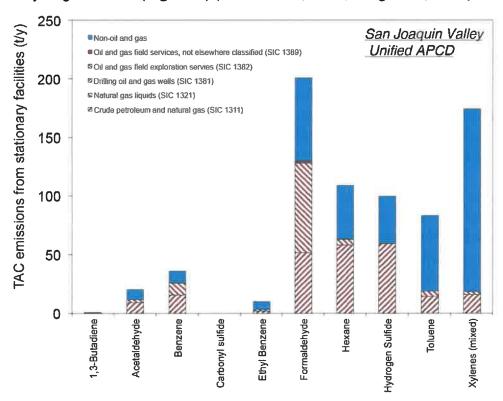


Figure 2. Toxic Air Contaminant emissions from stationary facilities in the San Joaquin Valley Air Pollution Control District (Source: (Brandt et al., 2015).

A recently published study using statewide air quality monitoring data from California investigated whether drilling new wells or increasing production volume at active wells resulted in emissions of PM_{2.5}, nitrogen dioxide (NO₂), VOCs, or O₃ (Gonzalez et al., 2021). To assess the effect of oil and gas activities on concentrations of air pollutants, the authors used daily variation in wind direction as an instrumental variable and used fixed effects regression to control temporal factors and time-invariant geographic factors. The authors documented higher concentrations of PM_{2.5}, NO₂, VOCs, and O₃ at air quality monitoring sites within 4 km of preproduction OGD well sites (i.e., wells that were between spudding and completion) and 2 km of production OGD well sites, after adjusting for geographic, meteorological, seasonal, and time trending factors. In placebo tests, the authors assessed exposure to well sites downwind of the air monitors and observed no effect on air pollutant concentrations. **Table 2** summarizes the increases in each pollutant for each additional upwind well site by distance.

Table 2. Summary of air pollutant concentrations measured between 2006-2019 at 314 air quality monitoring sites in the EPA Air Quality System for California (Gonzalez et al., 2021).

Distance	PM _{2.5} µg/m ^{3*}	NO ₂ ppb	VOCs (ppb C)*	O ₃ (ppb)	
Estimated increase for each additional upwind pre-production well site					
Within 2 km	2.35 (0.81, 3.89)	2.91 (0.99, 4.84)	No increase	no increase	
2-3 km	0.97 (0.52, 1.41)	0.65 (0.31, 0.99)	No increase	0.31 (0.2, 42)	
3-4 km	no increase	no increase	no increase	0.14 (0.05, 0.23)	
Estimated Increase for each 100 BOE of total oil and gas upwind production volume					
1 km	1.93 (1.08, 2.78)	0.62 (0.37, 0.86)	0.04 (0.01, 07)	no increase	
1-2 km	no increase	no increase	no increase	0.11 (0.08, 0.14)	

^{*}No PM_{2.5} or VOC monitoring sites with 1 km of pre-production well sites; BOE, barrels of oil equivalents.

These multiple stressors, along with other physical factors such as noise and vibration, are consistently found in exposure studies to be measurably higher near oil and gas extraction wells and other ancillary infrastructure in California. As such, the Panel concludes with a high level of certainty that concentrations of health-damaging air pollutants, including criteria air pollutants and toxic air contaminants, are more concentrated near OGD activities compared to further away.

3. Does the evidence evaluated clearly support a specific setback? If so, what is this apply to? What is the supporting evidence?

apply to? What is the supporting evidence?

a. How does this evidence justify the recommended setback distance, as

opposed to another distance?

Existing epidemiologic studies were not designed to test and establish a specific "safe" buffer distance between OGD sites and sensitive receptors, such as homes and schools. Nevertheless, studies consistently demonstrate evidence of harm at distances less than 1 km, and some studies also show evidence of harm linked to OGD activity at distances greater than modelling techniques, the potential for human exposure to numerous environmental atressors (e.g., air pollutants, water contaminants, noise) at distances less than 1 km (e.g., Allshouse et al., 2019; Holder et al., 2019; McKenzie et al., 2018; DiGiulio et al., 2021; Soriano et al., 2020), and that the likelihood and magnitude of exposure decreases with increasing distance.

b. What are the health benefits from this setback? Can the panel quantify them
 or recommend a methodology CalGEM can use to quantify them? Can the
 panel establish that these health benefits can only be achieved with the
 setback? Or can they also be achieved with mitigation controls?

Figure 3 presents a hierarchy of strategies to reduce human health hazards, risks and impacts from OGD activities. Table 3 presents the advantages and disadvantages of each strategy from an environmental public health perspective.



Figure 3. Hierarchy of strategies to reduce or eliminate public health harms for OGD activities. Note: the use of the term "wells" includes the ancillary infrastructure used to develop, gather and process oil and gas in the upstream oil and gas sector.

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At the top of Figure 3 is the most health protective strategy: to stop drilling and developing new wells, phase out existing OGD activities and associated infrastructure, and properly plug remediate legacy wells and ancillary infrastructure.

If the development of oil and gas is to continue, the greatest health benefits would be gained from a strategy that includes the next two controls in the hierarchy depicted in Figure 3: the elimination of new and existing wells and ancillary infrastructure within scientifically informed setback distances and the deployment of engineering emission controls and associated monitoring approaches that lead to rapid leak detection and repair for new and existing wells and ancillary infrastructure. Because air pollutant concentrations and noise levels decrease with increasing distance from a source, adequate setbacks can reduce harm to local populations by reducing exposures to air pollutants and noise directly emitted from the OGD activities. However, setbacks do not reduce harms from OGD contributions to regional air pollutant levels, such as secondary particulate matter and ozone, or greenhouse gases, such as methane, which are nearly always co-mingled with health-damaging air pollutants (Michanowicz et al., Forthcoming). Engineering controls that reduce emissions at the well site are also necessary to reduce these harms.

Engineering controls include cradle-to-grave noise and air pollution emission mitigation controls on OGD infrastructure including new, modified and existing infrastructure, and proper abandonment of legacy infrastructure, prioritizing those nearest to residential sites and schools and those associated with the highest emissions, leaks and other environmental hazards.

However, engineering controls can fail and engineering solutions may not be available for or economically feasible to handle all of the complex stressors generated by OGD, including multiple sources and types of air pollution, noise pollution, light pollution, water pollution, and other stressors. Therefore, neither setbacks or engineering controls alone are sufficient to reduce the health hazards and risks from OGD activities -- both approaches are needed in tandem.

Finally, we note that while outside of CalGEM's jurisdiction, setbacks for new construction of housing or schools at a certain distance from existing or permitted OGD sites (commonly referred to as reverse setbacks), should be considered.

Table 3. Advantages and Disadvantages of Oil and Gas Development Control Strategies from an Environmental Public Health Perspective.

Control Strategy	Description	Advantage	Disadvantage
Elimination	Eliminate or reduce new and existing wells and ancillary infrastructure in combination with proper plugging and abandonment of wells and other legacy infrastructure.	Eliminates the source of nearly all environmental stressors (e.g., air and water pollutants, noise); protects local and regional populations	None.
Setbacks	Increase the distance between OGD hazards and sensitive receptors.	Reduces risk of exposures to populations living near OGD sites; environmental stressors are generally attenuated with increasing distance.	Setbacks alone without coupled engineered mitigation controls allow continued release of hazards and therefore does not adequately address air pollutant and greenhouse gas emissions from OGD and their impacts on regional air quality and the climate.
Engineering Controls	Reduces or eliminates release of specific hazards on site.	Reduces or eliminates certain hazards and therefore can have local and regional environmental public health benefits.	Tends to be disproportionately focused on air pollutant emissions. Often not feasible to apply engineering solutions to multiple, complex stressors each requiring different control technologies (e.g. noise, air and water impacts, social stressors) and lacks the important factor of safety provided by a setback when engineering controls fail.
Residence Controls Provides households with devices to reduce hazard at the home (e.g., water filter, light blocking shades, air filters).		Reduces intensity of certain hazards to nearby communities at the household level.	Places burden on individuals and households to use devices properly and to maintain and regularly replace controls to maximize effectiveness. Not feasible to apply devices to address numerous, complex stressors.
Personal Protective Equipment	Provide individuals with devices to reduce exposure (e.g., respiratory masks, ear plugs, eye masks).	Reduces intensity of exposure of certain hazards to nearby individuals.	Places burden on individuals to use PPE consistently and properly and is not feasible for the complex stressors.

Attributable Risk Calculations

One method to estimate health harms from OGD is to use the measures of association from the epidemiologic literature and population counts to calculate the excess number of specific health outcomes. This is what is known as an attributable risk method. We may be able to derive these estimates in the final report for birth outcomes using estimates of population counts for women of reproductive age in California living near OGD sites. We will also attempt to derive similar estimates for respiratory outcomes by using age appropriate population counts near OGD sites. This attributable risk method can allow us to estimate the number of adverse perinatal or respiratory cases that are attributable to OGD exposures and could be attenuated through the implementation of elimination or setback strategies.

c. Can the panel quantify or recommend a methodology CalGEM can use to quantify the health benefits associated with mitigation controls?

The Panel was not tasked to estimate health benefits of various setbacks and mitigation strategies, which pose significant methodological challenges and would require considerable time and effort. Among the challenges is the need to consider the benefits of reducing multiple stressors -- multiple air pollutants and other chemicals, noise, vibration, light, subsurface contamination, etc.

Known Health Benefits of Reducing Air and Noise Pollution

There is a significant body of literature and available tools that address the potential health benefits that can be achieved by reducing air and noise pollution exposures. The National Institute of Environmental Health Sciences has linked air pollution and specifically PM2.5 to respiratory disease, cardiovascular disease, cancer, and reproduction harm and provides references supporting these links (NIEHS (National Institute of Environmental Health Sciences), 2021). Schraufnagel et al. (2019) examined in detail the health benefits of air pollution reductions in different geographic regions. Friedman et al. (2001) showed that improvements in air quality in preparation for the 1996 Atlanta Olympics resulted in significantly lower rates of childhood asthma events, including reduced emergency department visits and hospitalizations. Avol et al. (2001) demonstrated that children in southern California who moved to communities with higher air pollution levels had lower lung function growth rates than children who moved to areas with lower air pollution levels. Gauderman et al. (2015), examining the impact of reductions in PM_{2.5} and nitrogen dioxide in the Los Angeles air basin, found that children who grew up after air quality improvements had less than ½ the chance of having clinically low lung function results. Ha et al. (2014) found PM_{2,5} exposures in all trimesters to be significantly and positively associated with the risk of all adverse birth outcomes.

In an analysis of noise exposure reductions. Based on sound levels measured and/or modeled across the US together with an EPA exposure- response model for levels exceeding EPA standards, Swinburn et al. (2015) found that a 5-dB noise reduction scenario in communities with noise exceeding EPA standards would reduce the prevalence of hypertension by 1.4% and coronary heart disease by 1.8%. The types of health-benefit studies noted here provide a basis for conducting a health-benefits analysis using a tool such as US EPA's Environmental Benefits Mapping and Analysis Program—Community Edition (BenMAP-CE) (US EPA, 2021).

Possible Approaches to Quantify Health Benefits

CalGEM could obtain estimates of the health benefits achieved from different mitigation strategies individually or in combination with tools such as the Community Multiscale Air Quality Model (CMAQ) (Binkowski & Roselle, 2003) and/or other exposure assessment tools and link model output to EPA's BenMAP-CE (US EPA, 2021). However, these models and approaches are only focused on air quality and noise. It should also be noted that a significant drawback of using BenMAP-CE for this application is that it only considers impacts from criteria air pollutants and not from toxic air contaminants or other emerging air pollutants.

BenMAP-CE estimates the number and economic value of health impacts resulting from changes in air pollution concentrations. BenMAP-CE estimates benefits in terms of the reductions in the risk of premature death, heart attacks, and other adverse health effects. BenMAP-CE requires as input, pollutant concentrations at a scale that matches with population data. These concentrations can be obtained from a model such as CMAQ (Binkowski & Roselle, 2003) or from a monitoring network. BenMAP-CE takes the concentration fields for a base case and then for a pollution reduction (or increase) to assess health benefits (or detriments). BenMAP-CE then estimates changes in health endpoints, allowing the user to specify the concentration—response function and either use built-in population and baseline mortality rates or specify them as inputs.

It should be noted that in order to use a model such as BenMAP-CE to assess health benefits of setbacks and mitigation controls at well sites across California would involve a significant level of time and effort in data collection and model executions. In addition, these models are limited to characterizing the health benefits of criteria air pollutant reductions, but do not account for other OGD related exposures such as toxic air contaminants, other chemical exposures and exposures to other stressors through other environmental pathways (e.g., water and noise). Additionally, and importantly, the lack of spatially resolved emissions data from upstream OGD introduces challenges when assessing local- and sub-regional scaled health impacts that would be required for calculating benefits of specific policies such as setbacks and emission control. As such, attempts to quantify benefits using BenMAP-CE are likely to underestimate them.

4. CalGEM is aware of health risk assessments, health impact assessments, air exposure studies, and workforce safety studies that have been conducted but were not evaluated as part of your preliminary advice. How do these studies align with your causation determination, any recommended setback distance, and recommendations on health benefits quantification?

The Panel determined early in its deliberations that it would limit the studies assessed in its report to those in the peer-reviewed scientific literature. This criterion ensures that studies have been evaluated by scientists who have not been involved with the study but have expertise in the relevant topic area and/or the methods used to carry out analyses, prior to publication. The peer-review process helps to ensure that high quality data and scientific interpretations are at the core of the science-policy decision-making process. Authors of peer reviewed studies are more likely to have been questioned about their methods, data interpretations, and conclusions, leading to greater confidence in the results.

In addition, the Panel was not tasked with assessing occupational studies. If CalGEM staff are aware of any peer-reviewed studies that were not included in our preliminary advice, we encourage them to send the Panel references so that we can evaluate them for inclusion in the final report. We intend to scan the literature again to assess whether relevant studies have been published since we completed the draft report. Should additional peer-reviewed studies be identified, the Panel will evaluate them to determine if they align with the scope of the report and should be added.

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May 31, 2022

Charles Rausch
Associate Zoning Administrator
Office of Zoning Administration
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200 North Spring Street
Los Angeles, California 90012-2601

Re: Approval of Plans – Compliance with and Effectiveness of Permit Conditions at the Murphy Drill Site (Case No. ZA-1959-15227-O-PA6)

Dear Mr. Rausch,

Earthjustice submits these comments on behalf of Redeemer Community Partnership ("Redeemer"), a non-profit grassroots organization whose members strive to create and maintain a safe and healthy environment for families in South Los Angeles.

On April 28, 2022, the Office of Zoning Administration ("OZA") held a public hearing to receive community input regarding the effectiveness of conditions at the Murphy Drill Site. During the hearing, residents living near the drill site described in detail the harms inflicted by the drill site's operations. Residents reported hearing deafening noises, smelling fumes, suffering headaches, seizures, severe reproductive problems, and repeatedly waking to foul odors from the drill site. Allison Higgins, who lives three blocks from the drill site, stated: "I have repeatedly woken up in early mornings with vicious headaches and to the smell of burning plastic." Testimony from numerous community members, local faith leaders, environmental scientists, educators, environmental justice advocates, and Los Angeles City Council District 10 all emphasized the need for modern conditions to directly address these harms. This testimony made clear that existing permit conditions at the Murphy Drill Site are inadequate to protect the community's health.

Oil drilling in a dense, residential neighborhood is an inherently dangerous activity that threatens the health and well-being of nearby residents. The science and lived experiences of those living in proximity to the Murphy Drill confirm these dangers. The City of Los Angeles long ago implemented protective conditions at drill sites to reduce impacts to surrounding communities. Such conditions, including enclosures and prohibitions on diesel equipment, are standard at drill sites in West Los Angeles. The absence of such conditions at the Murphy Drill Site in South Los Angeles is unacceptable. Residents of South Los Angeles deserve equal protection against the toxic fumes, incessant noise, and obnoxious odors that are inherent to oil drilling.

As the principal land use authority in the City of Los Angeles, the OZA has the responsibility to place conditions on the Murphy Drill Site that protect nearby residents. Current conditions at the Murphy Drill Site are outdated and fail to protect the health, safety, and general welfare of the surrounding community. To properly modernize operations at the Murphy Drill Site and adequately protect the community's health and safety, the OZA should, at a minimum, impose the following conditions:

- (1) fully and permanently enclose the Murphy Drill Site;
- (2) only allow the use of all-electric workover rigs;
- (3) prohibit the burning of methane gas on the drill site.

I. The Murphy Drill Site Harms the Health and Well-being of Nearby Residents.

Urban oil drilling in residential neighborhoods threatens public health. The Los Angeles County Board of Supervisors recognized these threats when it voted to designate "all existing oil and gas extraction activities [as] legal nonconforming uses in all zones." Similarly, the Los Angeles City Council voted to direct City staff to prepare an ordinance designating oil and gas production as a nonconforming land use. Nevertheless, urban oil drill sites continue to negatively impact the health and well-being of nearby residents. As described below, the Murphy Drill Site has severe impacts on public health that must be addressed with modern conditions.

A. The Murphy Drill Site is Located in a Dense Residential Neighborhood with Many Sensitive Receptors.

The Murphy Drill Site is located in one of the most densely populated neighborhoods in Los Angeles County.⁴ According to the 2015-2019 American Community Survey from the U.S.

¹ Office of Zoning Administration, Plan Approval Determination for Jefferson Drill Site, Case No. ZA-1965-17528(PA5) (Oct. 13, 2017) (hereafter "Jefferson PA5") at 0019 (As the OZA noted in the Plan Approval Determination for the Jefferson Drill Site, "[p]ursuant to L.A.M.C. Section 13.01-H, the Zoning Administrator shall determine the conditions under which oil drilling operations may be conducted.") (Attached as Appendix 1); See also Los Angeles, Cal., Mun. Code § 13.01(E)(2)(i) (2021) (hereafter "LAMC") (The OZA has broad authority to "impose additional conditions or require 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.").

² Los Angeles County Board of Supervisors, Revised Motion by Supervisors Holly J. Mitchell and Shelia Kuehl, I, Protecting Communities Near Oil and Gas Drilling Operations in Los Angeles County (Sept. 15, 2021) at 0060 (Designating "all existing oil and gas extraction activities" as "legal nonconforming uses in all zones.") (Attached as Appendix 2).

³ Excerpt from Los Angeles City Council Journal/Council Proceeding, *Agenda Item No. 24 and Motions* (Jan. 26, 2022) at 0064 (Unanimous motion to instruct the Department of City Planning to "to prepare and present an Ordinance to prohibit new oil and gas extraction and make extraction activities a nonconforming use in all zones.") (Attached as Appendix 3); *See also* City of Los Angeles, *Proposed Draft of New Zoning Code, Art. 12 Nonconformities* (June 2, 2021) at 0076 ("Any well for the production of oil, gas or other hydrocarbon substances is a nonconforming use.") (Attached as Appendix 4).

L.A. Times, Population Density, http://maps.latimes.com/neighborhoods/population/density/neighborhood/list/

Census Bureau, 14,415 people live within a half-mile radius of the site.⁵ This high population density multiplies the impacts of the inherent risks of oil drilling and production at the drill site.

Children, seniors, and people with a range of health conditions are especially vulnerable to the impacts from operations at the drill site.⁶ People seeking care for health conditions are literally next door to the Murphy Drill Site, as the site shares a common wall with the AIDS Healthcare Foundation's Healthcare Center. Next to the drill site's other wall is an apartment complex for low-income residents.⁷ The drill site is surrounded by homes, schools, playgrounds, and health centers including the Widney Career Preparatory and Transition Center (a high school for students with special needs), 24th Street Elementary School, Crown Prep Academy (a public middle school), Mid-City's Prescott School of Enriched Sciences, Math and Science College Preparatory High School, Carl Bean Men's Wellness Center, John Tracy Center (a preschool and renowned healthcare provider for infants and young children with hearing loss), Western Convalescent Hospital, and several housing complexes for hundreds of seniors including Independent Square and Saint John of God Retirement and Care Center. In total, over 5,000 children and seniors live within a half-mile radius of the Murphy Drill Site.⁸

⁵ U.S. EPA, 2022 version EJScreen, ACS Summary Report for 0.5-miles Radius around Murphy Drill Site at 0097 (Attached as Appendix 5).

⁶ Cal. Air Resources Bd., Sensitive Receptor Assessment, https://ww2.arb.ca.gov/capp-resource-center/community-assessment/sensitive-receptor-assessment/.

⁷ U.S. Dept. of Housing and Urban Dev., *Portfolio of Active Section 8 Contracts* at 92, https://www.hud.gov/sites/documents/DOC_35038.PDF (St. Andrews Gardens, located at 2062 W Adams Blvd., has an active contract to provide rental housing assistance under Section 8.).

⁸ U.S. EPA, ACS Summary Report, supra note 5, at 0097.



Figure 1 - Google Map Aerial View of Murphy Drill Site

The Murphy Drill Site's proximity to these residents, students, and patients highlights the public health consequences of the drill site's emissions and outdated conditions. At the April 28 public hearing, resident Silvia Esparza described the impacts of these public health consequences on children, stating:

My biggest concern is for my five- and three-year-old daughters. . . . They're being exposed to chemicals from the Murphy Drill Site. I have gone jogging with my babies in their double stroller and have had to turn back home because of the smells coming from that drill site. And they're not the only ones. We have so many young families in this neighborhood, and we have playgrounds, and we have schools, and I fear for the long-term consequences of what E&B is doing at that drill site.

Similar concerns were raised by resident Martha Nieto, whose daughter goes to school two blocks from the drill site and suffers chronic headaches and difficulty breathing. Ms. Nieto noted that her family members experienced "exactly the same symptoms" when they lived near the Jefferson Drill Site in South Los Angeles.

People with disabilities and other health conditions suffer more severe impacts from the drill site's operations. Resident David Lazaro-Lopez, who lives less than 1,000 meters (i.e., 3,200-feet) from the drill site, stated at the public hearing: "I am a person who is disabled. I have epilepsy... So many times, fumes caused headaches and I've had many seizures in the neighborhood. [These] fumes that come out of the drill site caused headaches, which lead to seizures. These

seizures could cause my death." Such impacts on vulnerable residents urgently demand the modernization of conditions at the Murphy Drill Site.

B. Recent Studies Show that Oil Extraction Sites, including the Murphy Drill Site, Have Harmful Health Impacts on Nearby Residents.

Recent studies highlight the Murphy Drill Site's impacts on the health of nearby residents, confirming the lived experiences shared by many community members at the April 28 public hearing. In *Respiratory Health, Pulmonary Function and Local Engagement in Urban Communities Near Oil Development*, researchers found that residents living less than 1,000 meters from the Murphy Drill Site were significantly more likely to report symptoms including wheezing, sore throat, chest tightness, dizziness, and eye or nose irritation than people living near an idle drill site in Los Angeles. Residents closest to the Murphy Drill Site experienced a significant overall reduction in lung function and capacity—a greater decrease than what national studies have shown for secondhand tobacco smoke and living near freeways. In another study focusing on oil drilling in South Los Angeles, researchers found that residents within a 1500-foot radius of the Jefferson Drill Site reported significantly higher rates of asthma compared to the overall rates in Los Angeles County. Proximity to the Jefferson Drill Site was associated with lower lung function from exposure to hazardous air pollutants connected to oil drilling and production. In proximity to the Jefferson Drill Site was associated with lower lung function from exposure to hazardous air pollutants connected to oil drilling and production.

The health impacts like those found in these studies were also identified by experts on the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel, which concluded "with a high level of certainty" that residential proximity to oil and gas developments is "associated with adverse perinatal and respiratory outcomes." ¹³ In a report to the California Department of Conservation's Geologic Energy Management Division ("CalGEM"), the Panel found that "…studies consistently demonstrate evidence of harm at distances less than 1 km [~3,200 feet], and some studies also show evidence of harm linked to [oil and gas development]

⁹ Jill Johnston et al., Respiratory Health, Pulmonary Function and Local Engagement in Urban Communities Near Oil Development, 197 Environ. Res. (2021), https://doi.org/10.1016/j.envres.2021.111088 at 0104 (Study authors refer to the Murphy Drill Site as the "Jefferson Park drill site.") (Attached as Appendix 6).

¹⁰ Id. at 0105 (Finding that living within 200m of a drill site resulted in a reduction of 128 ml forced vital capacity ("FVC"), an indicator of respiratory function); Compare Haidong Kan et al., Traffic Exposure and Lung Function in Adults: The Atherosclerosis Risk in Communities Study, 62 Thorax (2007), http://dx.doi.org/10.1136/thx.2006.073015 at 00110 (Finding FVC reduction of 24.2 ml for women living within 150 m of a highway) (Attached as Appendix 7); Mark D. Eisner, Environmental Tobacco Smoke Exposure and Pulmonary Function Among Adults in NHANES III: Impact on the General Population and Adults with Current Asthma, 110 Environ. Health Perspectives (2002), https://doi.org/10.1289/ehp.02110765 at 0117 (Finding FVC reduction of 119 ml for nonsmoking women exposed to secondhand smoke) (Attached as Appendix 8).

¹¹ Bhavna Shamasunder et al., Community-Based Health and Exposure Study around Urban Oil Developments in South Los Angeles, Int. Journal of Environ. Research and Public Health (2018), https://doi.org/10.3390/ijerph15010138 at 0133-0134 (Attached as Appendix 9).

¹² Johnston et al., Respiratory Health, supra note 9, at 0104.

¹³ Cal. Oil and Gas Public Health Rulemaking Scientific Advisory Panel, Response to CalGEM Questions for the California Oil and Gas Public Health Rulemaking Scientific Advisory Panel (Oct. 1, 2021) at 0143 (Attached as Appendix 10).

activity at distances greater than 1 km."¹⁴ The Panel described a multitude of harms that are intrinsic to various aspects of oil extraction operations:

The wells, valves, tanks and other equipment used to produce, store, process and transport petroleum products at both unconventional and conventional [oil and gas] sites are associated with emissions of toxic air contaminants, hazardous air pollutants and other health-damaging nonmethane VOCs. Diesel engines used to power on-site equipment and trucks at unconventional and conventional [oil and gas] sites directly emit health damaging hazardous air pollutants, fine particulate matter (PM2.5), nitrogen oxides and volatile organic compounds (VOCs). Many VOCs and nitrogen oxides are precursors to ground level ozone (O3) formation, another known health harming pollutant. Hazardous air pollutants that are known to be emitted from [oil and gas] sites include benzene, toluene, ethylbenzene, xylenes, hexane and formaldehyde—many of which are known, probable or possible carcinogens and/or teratogens and which have other adverse effects for non-cancer health outcomes.¹⁵

These studies and this report reflect what residents living near the Murphy Drill Site have known, experienced, and reported to regulators for decades. They also reflect longstanding inequities and racial injustice arising from the siting of drill sites in South Los Angeles. A study found that historically redlined neighborhoods consistently have the most oil wells in them, showing that the "legacy of structural racism... is associated with higher oil and gas well exposures." ¹⁶ The study authors noted that these "exposure disparities have implications for community environmental health," since both active and idle wells "contribute to ongoing air pollution," thus raising risks of health problems including cardiovascular disease, impaired lung function, birth defects, and harms to mental well-being. ¹⁷ The Murphy Drill Site is located in a historically redlined neighborhood. ¹⁸

C. Residents Near the Murphy Drill Site are Especially Impacted by Obnoxious Odors, Dangerous Fumes, and Harmful Noise Levels

Among the many impacts that operations at the Murphy Drill Site have on the community, residents are most profoundly affected by harmful fumes, noxious air pollutants, and disruptive levels of noise. Modern conditions are necessary to minimize these impacts and protect community members from exposure.

¹⁴ Cal. Oil and Gas Public Health Rulemaking Scientific Advisory Panel, Response to CalGEM Questions, supra note 13, at 0154.

¹⁶ David J. Gonzalez et al., *Historic Redlining and the Siting of Oil and Gas Wells in the United States*, Journal of Exposure Sci. & Environ. Epidemiology (2022), https://doi.org/10.1038/s41370-022-00434-9 at 0173 (Attached as Appendix 11).

¹⁷ *Id.* at 0173.

¹⁸ Andre M. Perry & David Harshbarger, *America's Formerly Redlined Neighborhoods Have Changed, and so Must Solutions to Rectify Them,* The Brookings Inst. (Oct. 14, 2019), https://www.brookings.edu/research/americas-formerly-redlines-areas-changed-so-must-solutions/ at 0185 (Noting that Jefferson Park is a historically redlined neighborhood) (Attached as Appendix 12).

i. Odors and Fumes from Crude Oil Operations

As testimony and complaints from community members show, and Air District investigators confirm, odors and fumes are clearly detectable in the neighborhood surrounding the Murphy Drill Site. These odors and fumes do not stem from unusual or extraordinary events; rather, they arise from routine operations at the Murphy Drill Site.

The Municipal Code establishes that "oil wells shall be sealed so that no offensive or obnoxious odor or fumes can be readily detected from any point on adjacent property." Further, the Municipal Code states that no odor "which can be eliminated or diminished by the use of greater care shall ever be permitted to result from" drill site operations. Controlling odors from drill sites is critical because, as noted by the South Coast Air Quality Management District ("Air District"), "foul odors can be extremely objectionable, cause symptoms such as headaches and nausea, and significantly impact residents' quality of life, especially if they are present on an ongoing basis." Frequent exposure to nauseating and foul odors is intrinsically harmful to residents' well-being.

Unlike drill sites in West Los Angeles, the Murphy Drill Site is an open-air facility with no enclosure to trap odors and fumes from routine operations. ²³ Crude oil, drilling and maintenance operations, chemicals, and diesel exhaust from equipment and trucks at the Murphy Drill Site all release odors and fumes that are not just obnoxious—they also have real human health consequences for the surrounding community. ²⁴

Fumes from chemicals that occur naturally in crude oil, as well as chemicals trucked onto the Murphy Drill Site and from diesel exhaust, have negative health impacts that range from short-term respiratory irritation to long-term health conditions including cancer, asthma, birth defects, and other reproductive problems.²⁵ While these harms impact everyone, they more severely affect vulnerable residents, particularly children and seniors. Children "are particularly vulnerable to the effects of air pollution" because "they breathe more rapidly than adults and so

¹⁹ LAMC § 13.01(K)(2).

²⁰ LAMC § 13.01(F)(18).

²¹ The Air District is the air pollution control agency for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. *See* Cal. Health & Safety Code § 40410; Cal. Code Regs. tit. 17, § 60104.

²² Louis Sahagun, Chemical Odor, Kids' Nosebleeds, Few Answers in South L.A. Neighborhood, L.A. Times (Sept. 21, 2013), https://www.latimes.com/local/la-me-0922-oil-20130922-story.html at 0192 (Attached as Appendix 13).

²³ Community Health Councils, Oil Drilling in Los Angeles: A Story of Unequal Protections (2015),

https://climateaccess.org/system/files/CHC-Issue-Brief-Oil-Drilling-In-Los-Angeles.pdf at 0207 (Noting that the Cardiff Tower Drill Site ("Doheny Site") in West LA was required to be "fully enclosed" in 1965.) (Attached as Appendix 14).

²⁴ Cal. Oil and Gas Public Health Rulemaking Scientific Advisory Panel, *Response to CalGEM Questions, supra* note 13, at 0152 (Noting the numerous health impacts of living near an active drill site.).

²⁵ Id. at 0143; Cal. Office of Environ. Health Hazard Assessment and Am. Lung Ass'n of California, Health Effects of Diesel Exhaust Fact Sheet (May 21, 2001), https://oehha.ca.gov/media/downloads/calenviroscreen/indicators/diesel4-02.pdf at 0213–0214 (Attached as Appendix 15);

absorb more pollutants" and "live closer to the ground, where some pollutants reach peak concentrations – at a time when their brains and bodies are still developing."²⁶

As more than 5,000 children and seniors live within a half-mile radius of the Murphy Drill Site, thousands of sensitive receptors suffer aggravated impacts from the drill site's operations.²⁷ Resident and nurse Jennifer Redekopp shared an example of these impacts at Mid-City's Prescott School, which is only a few blocks from the drill site:

One of [my children's'] friends had a severe asthma attack while he was out on the play yard. The school ended up having to call 9-1-1 and the paramedics came and picked him up in the ambulance. It was frightening, and there's a ripple effect of mental health with that as well. . . All the children saw that and were just terrified. . . His parents ended up withdrawing him from the school, which affected his education.

Odors and fumes from the Murphy Drill Site stem from dangerous chemicals that occur naturally in crude oil. For example, hydrogen sulfide ("H₂S") is a natural part of crude oil that "is a poisonous, flammable, colorless gas that smells like rotten eggs."²⁸ People can usually smell hydrogen sulfide at very low concentrations in the air and inhale or absorb it through their skin.²⁹ Hydrogen sulfide is extremely flammable and highly toxic. Even at low levels, it can irritate the eyes, nose, and throat, and cause breathing difficulties for people with asthma.³⁰

The crude oil and gas extracted from the Murphy Drill Site has high hydrogen sulfide content. In fact, the hydrogen sulfide content is so high that the Southern California Gas Company ("SoCalGas") refuses to accept gas from the Murphy Drill Site to avoid damaging its pipes.³¹ The gates at the Murphy Drill Site carry signs warning, "CAUTION—H₂S GAS MAY BE PRESENT."³² But gates are not enough to protect surrounding residents from the continual odors and fumes that emanate from operations at the Murphy Drill Site. At the April 28 public hearing, resident Wonder Serra reported having to shut her windows when odors of "rotten eggs" and "bonfire" smoke emanated from the drill site, only three blocks away.

²⁶ World Health Org., More than 90% of the World's Children Breathe Toxic Air Every Day (Oct. 29, 2018), https://www.who.int/news/item/29-10-2018-more-than-90-of-the-worlds-children-breathe-toxic-air-every-day. ²⁷ U.S. EPA, ACS Summary Report, supra note 5, at 0097.

²⁸ Centers for Disease Control and Prevention, *Table of Chemical Constituents Commonly Found in Crude Oil*, https://web.archive.org/web/20100902163422/http://www.bt.cdc.gov/gulfoilspill2010/pdf/chemical_constituents_table.pdf at 0215 (Attached as Appendix 16).

²⁹ Id. at 0215.

³⁰ Id. at 0215.

³¹ Office of Zoning Administration, *Plan Approval Determination for Murphy Drill Site*, Case No. ZA 15227(O)(PA5) (June 30, 2016) (hereafter "Murphy PA5") at 0232 (Attached as Appendix 17).

³² Redeemer Community Partnership, Photograph of Warning Sign on Murphy Drill Site (Apr. 15, 2021) (Attached as Appendix 18).

In addition to hydrogen sulfide, several other dangerous chemicals with carcinogenic or other known health impacts are commonly found in crude oil. For example, crude oil contains benzene, which smells like gasoline. Acute exposure to benzene can cause headaches, vomiting, and convulsions; long-term exposure can cause leukemia.³³ E&B's reports to CalGEM, the Los Angeles Fire Department, and the Air District confirm the presence of benzene and other hazardous chemicals at the Murphy Drill Site.³⁴

Residents have complained to the OZA and other agencies about the odors and fumes emanating from the Murphy Drill Site. For example, on March 24, 2021, the Air District received seven odor complaints from surrounding residents.³⁵ In response, an Air District investigator visited the Murphy Drill Site and confirmed an odor that smelled like tar coming from the site's workover rig.³⁶ In another example, on June 4, 2021, the Air District issued a Notice to Comply to E&B after receiving four odor complaints and confirming noxious odors spreading from the drill site.³⁷ Since June 2021, there have been seven additional odor complaints from residents around the Murphy Drill Site.³⁸

Odors and fumes from the Murphy Drill Site often accompany dangerous leaks. For example, on December 9, 2019, a resident reported a "petroleum odor" emanating from the drill site.³⁹ The Air District inspector investigated the odor but was denied entry by the drill site operator. The inspector noted that the operator was "hesitant to provide any information."⁴⁰ The following week, the Air District issued a Notice of Violation after it discovered two VOC leaks of greater than 50,000 ppm—more than 100 times the legal limit under Air District rules.⁴¹ In November 2021, the Air District issued another notice of violation ("NOV") for a vapor leak greater than 100,000 ppm.⁴² Although the NOV did not specify the identity of the leaking VOC,

³³ Centers for Disease Control and Prevention, Table of Chemical Constituents Commonly Found in Crude Oil, supra note 28, at 0215.

³⁴ CalGEM, Chemical Use Report for Murphy Drill Site for 2019-2020 (hereafter "CalGEM Chemical Use Report") (Attached as Appendix 19); Los Angeles Fire Department, Hazardous Materials And Wastes Inventory Matrix Report for Murphy Drill Site (Mar. 11, 2019) at 0244 (See entry for "Benzyl Alcohol.") (Attached as Appendix 20); SCAQMD, Rule 1148.2 Public Chemical Reports Event 3625 (Mar. 7, 2016) (Attached as Appendix 21).

³⁵ Letter from Richard Parks (Redeemer Community Partnership) to Vince Bertoni (Director of City Planning) (Apr. 30, 2021) (hereafter "Bertoni Letter") at 0280 (Regarding request for nuisance abatement hearing for Murphy Drill Site) (Attached as Appendix 22). SCAQMD, Complaint Reports, Nos. 320271, 320301, 320359–320364 (Incident on Mar. 24, 2021), at 0352-0359 (All SCAQMD Complaint Reports, unless noted otherwise, are attached under Appendix 23.).

³⁶ SCAQMD, Complaint Report No. 320359 with Inspector Comment (Incident on March 24, 2021) (Attached as Appendix 24).

³⁷ SCAQMD, NOVs and NOCs, Notice to Comply to E&B Resources, No. E51096 (Violation on June 4, 2021), at 0388–0389 (All SCAQMD Notices of Violation and Notices to Comply, unless noted otherwise, are attached under Appendix 25.).

³⁸ SCAQMD, Complaint Reports, No. 337801 (Incident on Dec. 8, 2021), at 0364; SCAQMD, Complaint Reports, No. 337804 (Incident on Dec. 8, 2021), at 0365; SCAQMD, Complaint Reports, No. 339949 (Incident on Feb. 8, 2022), at 0366; SCAQMD, Complaint Reports, No. 339956 (Incident on Feb. 8, 2022), at 0367; SCAQMD, Complaint Reports, No. 342236 (Incident on Feb. 19, 2022), at 0368; SCAQMD, Complaint Reports, No. 342237 (Incident on Feb. 19, 2022), at 0369; SCAQMD, Complaint Reports, No. 342241 (Incident on Feb. 19, 2022), at 0370.

³⁹ SCAQMD, Complaint Reports, No. 306249 (Incident on Dec. 9, 2019), at 0342.

⁴⁰ Id.

⁴¹ SCAQMD, NOV and NOCs, Notice of Violation, No. P73327 (Violation on Nov. 19, 2021), at 0393.

⁴² SCAQMD, Facility Equipment List Report (Inspection on Nov. 19, 2021) at 0397 (Attached as Appendix 26).

100,000 ppm is twice the explosive level of methane.⁴³ These dangerous leaks are not new: in 2011, a severe leak of at least 400,000 ppm produced a reading of "1.6 million ppm," which was so high it "flamed out the [toxic vapor analyzer] even with [a] diluter."⁴⁴

E&B uses odor counteractants to mask the odors from the Murphy Drill Site. Odor counteractants only mask the stench of petroleum odors and the rotten egg smell of toxic hydrogen sulfide gas. Generally, odor counteractants accomplish this with a powerful and highly toxic class of chemicals that are known endocrine disruptors. E&B's PA6 filing discloses its use of an "Odor Counteractant" known as Chemco Odor Control Jasmine. ⁴⁵ This odor counteractant contains nonylphenol ethoxylate, which is recognized as an endocrine disrupting chemical. ⁴⁶

Disruption of the endocrine system causes significant harm to the reproductive system, including infertility, cancer, and malformations in children before and after birth. Speaking at the April 28 public hearing, Dr. Bhavna Shamasunder explained that endocrine disruptors "caus[e] long-term developmental or reproductive harm." Resident Jen Blue reported at the public hearing that she had suffered two miscarriages and knew five neighbors who had miscarriages while living within a mile of the Murphy Drill Site. She stated that "I am appalled that our lives and the lives of our children are considered less valuable, less worthy of protection, than communities on the Westside."

ii. Odors and Fumes from Burning Methane Gas at the Drill Site

E&B burns methane gas on-site using multiple microturbines.⁴⁷ This includes gas produced on-site as well as methane gas from the SoCalGas high-pressure line located at the drill site.⁴⁸ As mentioned earlier, SoCalGas will not accept gas produced at the Murphy Drill Site because it is too high in sulfur content.⁴⁹ Nonetheless, E&B burns this off-spec gas in the middle of a residential neighborhood, with all of the attendant consequences.

⁴³ Cal. Air Resources Bd., *D-200 Definitions for Vapor Recovery Procedures* (Amended July 12, 2021), https://ww2.arb.ca.gov/sites/default/files/2022-03/d200%20effective%20040122_0.pdf at 6 (The lower explosive limit "for methane is 5.0% (50,000 ppm).").

⁴⁴ SCAQMD, Facility Equipment List Report (Inspection on Nov. 3, 2011) at 0398–0399 (Attached as Appendix 27); SCAQMD, NOVs and NOCs, Notice of Violation, No. P56970 (Violation on Nov. 3, 2011), at 0378.

⁴⁵ See Chemco Products Company, Odor Control Jasmine Safety Data Sheet, Product Code 11432 (revised Feb. 18, 2020) (Attached as Appendix 28).

⁴⁶ Id. at 0402; Xiaoya Ji, et al., A Comparison of Endocrine Disruption Potential of Nonylphenol Ethoxylate, Vanillin Ethoxylate, 4-n-nonylphenol and Vanillin In Vitro, 175 Ecotoxicology and Environmental Safety (2019), https://doi.org/10.1016/j.ecoenv.2019.03.060 at 0408 (Attached as Appendix 29).

⁴⁷ SCAQMD, F.I.N.D., Equipment List for E&B Natural Resources Management Corp. (Facility ID 191119), https://xappprod.aqmd.gov/find//facility/AQMDsearch?facilityID=191119 (Attached as Appendix 30).

⁴⁸ Los Angeles Dept. of Building and Safety, *Permit and Inspection Report for 2126 W Adams Blvd, Permit No. 21042-10000-16790,* https://www.ladbsservices2.lacity.org/OnlineServices/PermitReport/PcisPermitDetail?id1=21042&id2=10000&id3=16790 (Noting installation of 3" high pressure gas line.) (Attached as Appendix 31).

⁴⁹ Murphy PA5, supra note 31, at 0232.

As with other fossil fuels, burning methane gas releases fine particulate matter, nitrogen oxides, and volatile organic compounds, which can lead to "cardiovascular and respiratory disease, stroke, asthma, autism spectrum disorder, and premature mortality." Nitrogen oxides ("NOx") react with other chemicals to produce particulate matter and ozone, which damage the respiratory system, cause asthma attacks, and pose the greatest risks to children. Burning sulfur-containing fuels also emits sulfur dioxide ("SOx"), which causes respiratory irritation, worsens asthma symptoms, causes lung disease, and increases risk of morality. As of 2017, emissions from burning methane gas have caused more deaths than coal emissions in California and eighteen other states. As methane is a fossil fuel, producing and burning methane gas also contributes to climate change.

Burning methane gas at the drill site negatively impacts nearby residents. Louis Elfman, who lives only a few doors down from the drill site, reported at the public hearing that he experiences "endless smells, fumes, and headache-causing agents" from the drill site, including a strong "methane" smell. Mr. Elfman stated if he doesn't shut his windows at night, his wife and seven-year-old son "fairly consistently wake up with headaches." Similarly, resident Asegedich Lemma, who lives less than four hundred feet from the drill site, described a "very strong smell" coming from the drill site that requires her to keep her windows and doors shut. Ms. Lemma also reported suffering health problems that arose while living near the drill site and said, "it's very suffocating for me to breath."

iii. Odors and Fumes from Acids and Chemicals Trucked into the Neighborhood

Chemicals trucked onto the Murphy Drill Site also expose nearby residents to odors and toxic fumes. Thousands of gallons of chemicals are regularly brought into the neighborhood and stored at the Murphy Drill Site.⁵⁴ Data from the California Environmental Protection Agency

⁵⁰ Jonathan J. Buonocore et al., A Decade of the U.S. Energy Mix Transitioning Away from Coal: Historical Reconstruction of the Reductions in the Public Health Burden of Energy, 16 Environ. Research Letters (2021), https://doi.org/10.1088/1748-9326/abe74c at 0418 (Attached as Appendix 32).

⁵¹ U.S. EPA, *Basic Information about NO2*, https://www.epa.gov/no2-pollution/basic-information-about-no2 (last updated June 7, 2021); U.S. EPA, *Health Effects of Ozone Pollution*, https://www.epa.gov/ground-level-ozone-pollution/health-effects-ozone-pollution (last updated May 5, 2021).

⁵² Cal. Air Resources Bd., Sulfur Dioxide & Health, https://ww2.arb.ca.gov/resources/sulfur-dioxide-and-health.

⁵³ Harvard T.H. Chan School of Public Health, Negative Impacts of Burning Natural Gas and Biomass Have Surpassed Coal Generation in Many States (May 5, 2021), https://web.archive.org/web/20220405203429/https://www.hsph.harvard.edu/c-change/news/gas-biomass/.

⁵⁴ CalGEM Chemical Use Report, *supra* note 34; CalEPA, *Murphy Stored Chemicals*, https://siteportal.calepa.ca.gov/nsite/map/results/detail/136906/chemicals (Attached as Appendix 19).

reveals that these chemicals include methanol, 2-butoxyethanol, and others that are highly combustible and can cause serious or permanent injury to workers and nearby residents.⁵⁵

E&B uses many of these chemicals to maintain and extend the life of its wells at the Murphy Drill Site. For example, between 2019 and 2020, E&B conducted seven maintenance operations that involved the injection of over 29,000 gallons of hazardous chemicals into its wells.⁵⁶ These chemicals included carcinogens, respiratory triggers, and endocrine disruptors that cause reproductive harm and birth defects.⁵⁷

Further, E&B uses large quantities of hydrofluoric acid and hydrochloric acid to conduct "acid maintenance" on its wells. ⁵⁸ Hydrofluoric acid is a clear, colorless, corrosive liquid that is extremely hazardous. ⁵⁹ Hydrofluoric acid has a strong, irritating odor. It is readily absorbed through the skin and damages tissues. ⁶⁰ Even at low levels, fumes from hydrofluoric acid can irritate the eyes, nose, and respiratory tract. ⁶¹ Hydrochloric acid is similarly corrosive with an irritating and pungent odor. ⁶² If inhaled, hydrochloric acid irritates the mucous membranes of the nose, throat, and respiratory tract. ⁶³ Exposures to high concentrations of hydrochloric acid may lead to impacts as severe as suffocation or irreversible lung damage. ⁶⁴

iv. Odors and Fumes from Diesel Exhaust

The diesel equipment and heavy diesel trucks that routinely run at the Murphy Drill Site threaten the well-being of surrounding residents. Residents report that diesel trucks frequently come and go from the Murphy Drill Site and trucks idle on site for several hours. 65 As they do, the diesel exhaust from the trucks enters residents' homes. Residents are not able to keep these fumes out of their homes and cannot escape the fumes that move around the neighborhood. As

⁵⁵ CalEPA, Murphy Stored Chemicals, supra note 54.

⁵⁶ CalGEM Chemical Use Report, supra note 34.

⁵⁷ Id.; Heather B. Patisaul & Heather B. Adewale, Long-term Effects of Environmental Endocrine Disruptors on Reproductive Physiology and Behavior, Frontiers in Behavioral Neuroscience (2009), https://doi.org/10.3389/neuro.08.010.2009 (Attached as Appendix 34).

⁵⁸ CalGEM Chemical Use Report, supra note 34.

⁵⁹ University of Alaska Fairbanks, Environmental Health, Safety, and Risk Management, Chemical Hazards: Hydrofluoric Acid, https://www.uaf.edu/safety/industrial-hygiene/laboratory-safety/chem-gas/chemical-hazards/hydrofluoric-acid.php (last visited Apr. 25, 2022).

⁶⁰ Id.

⁶¹ Centers for Disease Control and Prevention, Emergency Preparedness & Response, Chemical Emergencies: Facts about Hydrogen Fluoride (Hydrofluoric Acid), https://emergency.cdc.gov/agent/hydrofluoricacid/basics/facts.asp at 0465 (last reviewed Apr. 4, 2018) (Attached as Appendix 35).

⁶² EPA, Health Effects Notebook for Hazardous Air Pollutants: Hydrochloric Acid (Hydrogen Chloride), https://www.epa.gov/haps/health-effects-notebook-hazardous-air-pollutants at 0468 (Attached as Appendix 36).

⁶³ Center for Biological Diversity, Danger Next Door: The Top 12 Air Toxics Used for Neighborhood Oil Drilling in Los Angeles (Dec. 2017), https://www.biologicaldiversity.org/publications/papers/DangerNextDoor.pdf at 0482 (Attached as Appendix 37).
⁶⁴ Id.

⁶⁵ Redeemer Community Partnership, Photographs of Select Instances of Idling Trucks from Apr. 19, 2021, to May 27, 2021 (Attached as Appendix 38).

resident Wonder Serra noted at the April 28 public hearing, "There are tons of families who have to shut their windows. They can't afford the air purifiers to leave their windows open."

In 1998, the California Environmental Protection Agency's Office of Environmental Health Hazard Assessment ("OEHHA") reviewed all the existing data regarding the health hazards caused by exposure to diesel exhaust. Based upon OEHHA's findings, the California Air Resources Board ("CARB") determined that diesel exhaust is a toxic air contaminant. The OEHHA assessment found that "exposure to diesel exhaust can have immediate health effects. Diesel exhaust can irritate the eyes, nose, throat and lungs, and it can cause coughs, headaches, lightheadedness, and nausea." For the california Air Canada and Lungs, and it can cause coughs, headaches, lightheadedness, and nausea."

In addition to these immediate health effects, exposure to diesel exhaust has long-term health effects. OEHHA explained:

Diesel exhaust and many individual substances contained in it (including arsenic, benzene, formaldehyde and nickel) have the potential to contribute to mutations in cells that can lead to cancer. In fact, long-term exposure to diesel exhaust particles poses the highest cancer risk of any toxic air contaminant evaluated by OEHHA.⁶⁸

Exposure to diesel exhaust and other chemicals that occur naturally in crude oil or are trucked in for use at the Murphy Drill Site is extremely hazardous to human health. As awareness of these effects has grown, measures to protect communities have advanced as well. Yet many of these measures are absent from the Murphy Drill Site, even though they are commonplace at drill sites in whiter, more affluent neighborhoods in West Los Angeles. For example, in 1998 the OZA required the operator of the Packard Drill Site to only use an "electric-powered drilling rig." Meanwhile, diesel-powered workover rigs are still permitted at the Murphy Drill Site.

v. Residents Near the Murphy Drill Site are Impacted by Harmful Noise Levels.

Both the Municipal Code and the Murphy Drill Site's plan approval prohibit any production operations or "anything incident thereto" from causing "noise... or annoying substances or effect" on "persons living in the vicinity." Nonetheless, residents report regularly experiencing obnoxious and harmful noise caused by activities at the Murphy Drill Site.

⁶⁶ Cal. Office of Environ. Health Hazard Assessment and Am. Lung Ass'n of California, Health Effects of Diesel Exhaust Fact Sheet, supra note 25, at 0212.

⁶⁷ Id. at 0213.

⁶⁸ Id. at 0213.

⁶⁹ Office of Zoning Administration, *Plan Approval for Packard Drillsite*, Case No. ZA 18129(PAD) (Mar. 6, 1998) at 0501 (Attached as Appendix 39).

⁷⁰ LAMC § 13.01(F)(18).

Noise is a physical hazard and a major health concern for nearby residents. Studies link noise exposure to a wide variety of adverse health effects. For example, exposure to noise levels ranging from 32 dBA to 75 dBA has been associated with sleep disruption, poor academic performance, and hypertension.⁷¹ Other adverse health effects include noise-induced hearing loss, increased cardiovascular effects, and endocrine disruption.⁷² Accordingly, the U.S. EPA asserts that environmental noise exposure levels should not exceed 55 dBA for outdoor areas and 45 dBA for indoor residential areas, hospitals, and schools.⁷³ The U.S. EPA identifies 70 dBA as the level of environmental noise which will cause measurable hearing loss over a lifetime.⁷⁴ The Municipal Code provides for an ambient noise level for residential zones of 50 dBA between 7:00 a.m. and 10:00 p.m. and 40 dBA between 10:00 p.m. and 7:00 a.m.⁷⁵

Noise from the Murphy Drill Site regularly exceeds safe thresholds for nearby residents. For example, on April 21, 2021, E&B conducted well maintenance on the west side of the Murphy Drill Site near the AIDS Healthcare Foundation's Healthcare Center. For approximately three hours, E&B attempted to pound a metal pipe into a well using the workover rig's heavy traveling block. This sent a deafening clang across the community at approximately 15-second intervals. Outside the drill site, the noise from this pounding registered at 94.9 dBA, comparable to the intensity of a loud motorcycle engine heard from only 20 inches away.

Such long periods of extremely loud noise punctuate the chronic noise exposure that nearby residents experience on a daily basis from the Murphy Drill Site. Chronic noise exposure is uniquely dangerous as it can impact residents for extended periods of time. A noise study conducted at the Murphy Drill Site in 2006 demonstrates the harmful noise levels that residents experience every day. The study measured noise at the Murphy Drill Site during periods without drilling activities. Researchers placed a sound level meter at the Murphy Drill Site with the recording microphone positioned on top of the site's perimeter wall.

⁷¹ Meleah D. Boyle et al., A Pilot Study to Assess Residential Noise Exposure Near Natural Gas Compressor Stations, 12 PLOS ONE (2017), https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0174310 at 0504 (Attached as Appendix 40).

⁷² Id.

⁷³ Id. at 0506.

⁷⁴ Id. at 0512.

⁷⁵ LAMC § 111.03 (2021).

⁷⁶ Redeemer Community Partnership, 04-21-2021 Murphy Work, YouTube (Apr. 22, 2021), https://www.youtube.com/watch?v=yDXWyGFx5Mg.

⁷⁷ Bertoni Letter, *supra* note 35, at 0306 (Showing maximum decibel reading of 94.9 dBA); Centers for Disease Control and Prevention, *What Noises Cause Hearing Loss?*, https://www.cdc.gov/nceh/hearing_loss/what_noises_cause_hearing_loss.html/ (last reviewed Oct. 7, 2019); Cal. State Parks, Off-Highway Motor Vehicle Recreation Division, *OHV Sound Regulations*, https://ohv.parks.ca.gov/?page_id=23037. (Noting that standard testing procedures for measuring exhaust volume is from a distance of "20 inches.").

⁷⁸ See Behrens & Associates, Ambient Noise Survey, Drilling Impact Evaluation & Mitigation Report (Feb. 15, 2006) (Attached as Appendix 41).

⁷⁹ Id. at 0518.

Even without drilling activities, researchers observed that "the existing equipment at the site including pumps and compressors generate an elevated, relatively steady background sound level at the site's property line." The study found the average daytime ambient noise level at the Murphy Drill Site to range from 67.3 to 72.2 dBA with an average nighttime range of 67.3 to 68.3 dBA. These noise levels greatly exceed the ambient levels outlined in the Municipal Code and the U.S. EPA's guidelines for both outdoor and indoor areas. In fact, exposure to nighttime noise levels as low as 32 dBA can cause a reduction in sleep period, awakenings, and other secondary effects such as inability to concentrate and irritability. According to the noise study, the average nighttime noise level at the Murphy Drill Site is nearly 16 times louder than the threshold of 32 dBA for experiencing health impacts from noise.

Several compressors at the Murphy Drill Site contribute to the continuously elevated noise levels that harm nearby residents. Compressors are a significant source of noise pollution as they emit constant and low-frequency thrumming. Researchers from the University of Maryland studied noise from compressors by comparing the noise levels from homes within 300 meters from compressors to noise levels from homes further than 1000 meters from compressors. On average, residents living within 300 meters from compressors endured indoor and outdoor noise levels between 8 to 11 dBA greater than residents living 1000 meters away. His represents a doubling of noise levels attributable to compressors that residents experience on a continuous basis—during the day and at night. These impacts are even more pronounced at the Murphy Drill Site where the nearest residents live less than 30 meters (100 feet) from compressors.

Excessive noise at the Murphy Drill Site also stems from drill site operations outside of the hours of operation outlined in the site's current plan approval. Condition six of the plan approval limits operations on the property between 7:00 p.m. and 7:00 a.m., and prohibits all work on Sundays. Reviously, deliveries to the drill site were limited to 8:00 p.m. until 7:00 a.m. (the same hours used at the Cardiff Tower Drill Site in West Los Angeles), until they were

⁸⁰ Behrens & Associates, Ambient Noise Survey, supra note 78, at 0519.

⁸¹ Id. at 0524.

⁸² Boyle et al., A Pilot Study, supra note 71, at 0513.

⁸³ Id. at 0505.

⁸⁴ Id. at 0509.

 ⁸⁵ E&B Natural Resources Mgmt. Corp., Pipeline Management Plan for Murphy Drill Site (Updated June 4, 2020) at 0530-0531 (Providing maps showing location of compressors and neighboring residences. See items V7 and V15.) (Attached as Appendix 42).
 86 Office of Zoning Administration, Plan Approval Determination for Murphy Drill Site, Case No. ZA 15227(O)(PA4) (Dec. 26, 2007) at 0535 (Attached as Appendix 43).

expanded in 2006.87 Hours of operation help prevent excessive noise that disturbs nearby residents. Nevertheless, noisy operations at the drill site regularly extend beyond the permitted hours of operation. Heavy diesel trucks have been documented traveling within the drill site as early as 2 a.m.88 Since E&B has taken over operations of the Murphy Drill Site, residents have documented at least three dozen violations of operating hours.89 In particular, on March 26, 2021, the workover rig, a forklift, and other trucks at the Murphy Drill Site worked past 9:00 p.m. Revving from the workover rig's diesel engine and pulsing alarms from vehicles backing up flooded the surrounding neighborhood with excessive noise and robbed residents of the peaceful enjoyment of their homes.90

Noise problems have been incessant at the Murphy Drill Site, in spite of longstanding complaints and documentation of excessive noise. At the April 28 public hearing, resident Asegedich Lemma noted that the noise is loud enough that it sounds as if the drill site is "almost in my living room," and as a result, she has to plug her ears every night.

- II. The Office of Zoning Administration Must Modernize Conditions at the Murphy Drill Site to Directly Address the Negative Impacts on the Surrounding Community.
 - A. Conditions at West Los Angeles Drill Sites and the Jefferson Drill Site Provide a Baseline to Implement Modern Conditions at the Murphy Drill Site.

For decades, drill sites in West Los Angeles have been subject to protective conditions that are missing at the Murphy Drill Site. For example, the Cardiff Tower Drill Site and the Packard Drill Site have been enclosed since 1965 and 1967, respectively. ⁹¹ Current circumstances demand that the OZA modernize existing conditions at the Murphy Drill Site and correct historical inequities by providing equal protection from the hazards of oil drilling to all affected residents.

⁸⁷ See Office of Zoning Administration, Plan Approval Determination for Murphy Drill Site, Case No. ZA 15227(O)(PA2) (Apr. 15, 2005) at 0550 (Noting the original 1961 approval "disallowed work between the hours of 6 p.m. and 8 a.m.") (Attached as Appendix 44); Office of Zoning Administration, Plan Approval Determination for Murphy Drill Site, Case No. ZA 15227(O)(PA3) (Mar. 13, 2006) at 0593 (Attached as Appendix 45);

Office of Zoning Administration, Plan Approval Determination for Cardiff Tower Drill Site, Case No. ZA 17683 (Aug. 17, 1965) (hereafter "Cardiff PA 1965") at 0620 (Attached as Appendix 46).

⁸⁸ Redeemer Community Partnership, Photograph of Heavy Truck Driving in Drill Site at 2:03 a.m. (June 10, 2020) (Attached as Appendix 47); Redeemer Community Partnership, Photograph of Large Tanker Pulling Into Drill Site at 5:59 a.m. (Nov. 25, 2019) (Attached as Appendix 48); Redeemer Community Partnership, Photograph of Multiple Tanker Trucks Pulling into Drill Site at 6:19 a.m. (Nov. 25, 2019) (Attached as Appendix 49);

Redeemer Community Partnership, Photograph of Heavy Tanker Driving on Drill Site at 6:51 a.m. (Dec. 2, 2019) (Attached as Appendix 50).

⁸⁹ Redeemer Community Partnership, Violations of Operating Hours (Attached as Appendix 51).

⁹⁰ Redeemer Community Partnership, 2021-03-26 MDS Operating at Night, YouTube (Mar. 30, 2021), https://youtu.be/WYZGhuYgv1g. ⁹¹ Cardiff PA 1965, supra note 87, at 0607 (Noting the derrick and other equipment shall be within an "enclosed structure having the appearance of a high-rise building."); Office of Zoning Administration, Conditions for Packard Drill Site, Case No. ZA 14549 (June 9, 1966) (hereafter "Packard PA 1966") at 0640 (At the Packard Drill Site, the OZA required in 1966 the "oil drilling building and derrick enclosure... to have a height of 135 ft...") (Attached as Appendix 52).

The OZA appropriately began the process of modernizing the operations and oversight of drill sites in South Los Angeles when it issued its Plan Approval Determination for the Jefferson Drill Site. That determination required modern conditions including a 45-foot high permanent enclosure of the site's operating equipment with an enhanced vapor recovery system to provide nearby residents relief from odors, fumes, and noise. The OZA also required that only electric workover rigs be used at the drill site. Ongoing harms from the Murphy Drill Site require the OZA to continue the progress made at the Jefferson Drill Site and implement such modern conditions at the Murphy Drill Site.

The scale, scope, and complexity of operations at the Murphy Drill Site are substantially more significant than those at the Jefferson Drill Site. To apply less protective conditions to the Murphy Drill Site than were imposed at the Jefferson Drill Site would be to ignore this crucial reality. The Jefferson Drill Site is only one mile away from the Murphy Drill Site. In addition, the Jefferson Drill Site and Murphy Drill Site are connected by underground pipes. All oil and gas produced at the Jefferson Drill Site were transferred to the Murphy Drill Site to process, sell, or burn until 2022. Additional equipment and chemicals at the Murphy Drill Site used to process, sell, or burn oil and gas bring additional dangers. For example, SoCalGas maintains an odorizing facility and stores mercaptan at the Murphy Drill Site. This is the same type of facility and chemical that leaked at the Rancho Park Drill Site in 2017. The leak caused surrounding schools to close and residents to complain about nausea and headaches. Additionally, the Murphy Drill Site burns gas on site with multiple microturbines – another source of harmful emissions not present at the Jefferson Drill Site.

The information before the OZA demonstrates the need for additional and modern conditions at the Murphy Drill Site. The OZA properly modernized conditions at the Jefferson Drill Site and must provide equal or greater protections at the Murphy Drill Site. With its Plan Approval Determination for the Jefferson Drill Site, the OZA established a new floor for all drill sites in Los Angeles to meet. The Murphy Drill Site is not meeting that floor, resulting in harm to the surrounding community.

⁹² Jefferson PA5, supra note 1, at 0004.

⁹³ Id. at 0015

⁹⁴ Google Maps, Image Showing Distance from Murphy Drill Site to Jefferson Drill Site (Attached as Appendix 53).

⁹⁵ See Letter from Paul Langland (E&B Natural Resources) to Uduak Ntuak (Petroleum Administrator) (Oct. 15, 2019) (Describing E&B's purchase of the Murphy Drill Site and the pipeline connection to the Jefferson Drill Site) (Attached as Appendix 54). See also Bertoni Letter, supra note 35, at 0285.

[%] Board of Public Works Office of Petroleum & Natural Gas Administration and Safety, *Report on Council Motion 17-0149-S1* (Apr. 30, 2020), https://clkrep.lacity.org/onlinedocs/2017/17-0149-S1_misc_1_05-08-2020.pdf at 0667 (Attached as Appendix 55).

⁹⁸ Compare SCAQMD, F.I.N.D., Equipment List for Murphy Drill Site (Facility ID 191119), supra note 47, with SCAQMD, F.I.N.D., Equipment List for Jefferson Drill Site (Facility ID 184292), Sentinel Peak Resources California LLC, https://xappprod.aqmd.gov/find//facility/AQMDsearch?facilityID=184292 (Attached as Appendix 56).

B. Modern Conditions Must Include Site Enclosure, Electric Workover Rigs, and a Prohibition on Burning Gas On-Site

The OZA's broad authority empowers it to impose and enforce conditions at the Murphy Drill Site that address the inherent dangers of oil drilling and production in a dense residential neighborhood. For too long, community members have suffered from inadequate and outdated conditions in the site's plan approval.

While some suggest that additional monitoring and inspections are helpful, the OZA should focus on modernizing conditions to concretely and directly reduce the harms experienced by community members. Monitoring and inspections are not a replacement for conditions that immediately reduce the pollutants, odors, and noise experienced by residents. ¹⁰⁰ As discussed below, monitoring and inspections have not prevented E&B from regularly violating regulatory requirements. ¹⁰¹ To directly address the ongoing harms from operations at the Murphy Drill site, the OZA must impose the following modern conditions.

The Murphy Drill Site Should be Enclosed and Use a Vapor Recovery
 System

The OZA should require the Murphy Drill Site to be enclosed in the same manner as the Jefferson Drill Site with a "permanent enclosure" and an "enhanced vapor recovery system." ¹⁰² As discussed previously, drill sites in West Los Angeles have been enclosed with high walls for decades. ¹⁰³ In fact, equipment at the Packard Drill Site is enclosed within 135-foot walls. ¹⁰⁴ The Petroleum Administrator for the City of Los Angeles acknowledges that enclosing drill sites helps to "reduce or eliminate noise, light, and odor pollution," and that enclosures need to be of sufficient height to "mask any workover, maintenance or drilling rigs." ¹⁰⁵ In the plan approval for the Jefferson Drill Site, the OZA noted that a permanent enclosure can also mitigate the dangers from acids, which E&B commonly uses at the Murphy Drill Site for well maintenance activities. ¹⁰⁶

The OZA also required a vapor recovery system at the Jefferson Drill Site to reduce VOC emissions. ¹⁰⁷ Given the numerous NOVs issued at the Murphy Drill Site for VOC leaks, and

 $^{^{99}}$ See LAMC § 13.01(F) (The Zoning Administrator may impose additional conditions when "determining the drilling site requirements."); see also LAMC § 13.01F(18).

See generally Lisa Song and Lylla Younes, Air Monitors Alone Won't Save Communities from Toxic Industrial Air Pollution, ProPublica (May 18, 2022), https://www.propublica.org/article/air-monitors-alone-wont-save-communities-from-toxic-industrial-air-pollution/.
 See infra Section III.

¹⁰² Jefferson PA5, supra note 1, at 0004.

¹⁰³ See supra Section II.A.

¹⁰⁴ Packard PA 1966, supra note 91, at 0640.

¹⁰⁵ Jefferson PA5, supra note 1, at 0053.

¹⁰⁶ Id at 0036

¹⁰⁷ Id. at 0004, 0054 (Petroleum Administrator noting the purpose of the vapor recovery system is to reduce VOC emissions).

based on the experiences of residents exposed to odors and fumes, a vapor recovery system is urgently needed at the drill site. As with the Jefferson Drill Site, this vapor recovery system "should meet the current and any future standards set by [applicable] state and regional agencies." ¹⁰⁸ Furthermore, reports from the system should be publicly available and regularly submitted to agencies overseeing the drill site.

ii. Only All-Electric Workover Rigs Should be Used at the Murphy Drill Site

The OZA should only permit fully electric workover rigs at the Murphy Drill Site, instead of diesel-powered rigs. This condition would reduce diesel exhaust emissions from the drill site, which are a toxic pollutant that harms community members in numerous ways. At the Jefferson Drill Site, the OZA required that rig operations "be carried on only by electrical power." ¹⁰⁹ Similar conditions were applied at the Packard Drill Site in 2009, where the OZA required that "all drilling and reworking operations at the site shall be carried on only by electrical power." ¹¹⁰

iii. No Methane Gas Should Be Burned at the Murphy Drill Site

E&B burns highly sulfurous methane gas at the Murphy Drill Site, emitting fumes and offensive odors that impact community members. As discussed above, burning methane gas releases fine particulate matter, nitrogen oxides, and VOCs which contribute to multiple kinds of severe cardiovascular and respiratory disease and premature mortality. To address this unnecessary and harmful activity, the OZA should prohibit burning methane gas at the drill site. Whether this methane gas is burned to produce electricity or merely flared at the drill site is irrelevant to the ultimate impacts on residents' public health and well-being. Therefore, no methane gas should be burned at the drill site for any purpose.

III. E&B's Pattern of Harmful Violations Highlights the Urgent Need to Modernize Conditions at the Murphy Drill Site.

The need to implement modern conditions at the Murphy Drill Site is particularly urgent given E&B's history of harmful violations. These violations increase the daily risk borne by residents living near the drill site.

A. E&B's Repeated VOC Violations

VOC leaks at the Murphy Drill Site expose residents to harmful and offensive fumes and odors. Since E&B began operating the Murphy Drill Site in 2019, inspectors have reported 38

¹⁰⁸ Jefferson PA5, supra note 1, at 0054.

¹⁰⁹ Id. 0015.

¹¹⁰ Office of Zoning Administrator, *Plan Approval for Packard Drill Site*, Case No. ZA 18129(PA2) (March 17, 2009), at 0682 (Attached as Appendix 57).

¹¹¹ See supra Section I.C.ii.

¹¹² Id.

equipment leaks to the Air District in violation of Air District rules.¹¹³ Three of those consisted of VOC leaks that were at or greater than 50,000 ppm.¹¹⁴ The Air District's records do not detail the VOCs involved in these leaks, but methane is a VOC present at the Murphy Drill Site, which can explode at concentrations of 50,000 ppm.¹¹⁵ Other VOCs that are emitted from drill sites are highly hazardous, including many known or possible carcinogens or teratogens (which cause reproductive problems) such as benzene, toluene, xylenes, formaldehyde, and many others.¹¹⁶ This very month, while the OZA's review of conditions at the Murphy Drill Site is ongoing, E&B received an NOV for failing to "collect & control emissions of produced gas." ¹¹⁷ E&B's history of VOC leaks demonstrates the urgent need for a permanent enclosure with an accompanying vapor recovery system at the Murphy Drill Site.

B. E&B's Unlawful Use of Microturbines

E&B burns methane gas at multiple, unpermitted microturbines on-site, which emit harmful fumes into the neighborhood through exhaust stacks. The OZA prohibited the installation of a "Clean Enclosed Burner" (which burns methane gas) in its Plan Approval Determination for the Murphy Drill Site from June 30, 2016. In its denial, the OZA expressed "major concerns with the level of emissions in such close proximity to residential structures which in this case include a low income housing development, a convent and the fore mentioned convalescence home." Despite the OZA's concerns and denial of this gas-burning equipment, E&B installed microturbines to burn methane gas without the OZA's approval. Although the Department of Building and Safety ("DBS") issued electrical permits for the microturbines, it did not authorize the installation of the exhaust stacks. Page 121 E&B positioned the stacks just below the roofline of its

¹¹³ Redeemer Community Partnership, *MDS Quarterly Rule 1173 Reports* (Since E&B took over the Murphy Drill Site in November 2019, 35 leaks were reported during Rule 1173 inspections and 3 leaks during non-Rule 1173 inspections), at 0702–0704(Attached as Appendix 58).

¹¹⁴See generally SCAQMD, Combined Rule 1173 Reports for Murphy Drill Site (Attached as Appendix 59); Redeemer Community Partnership, MDS Quarterly Rule 1173 Reports, supra note 113; SCAQMD, NOVs and NOCs, Notice of Violation, No. P66850 (Violation on Dec. 18, 2019), at 0385 (Describing "[t]wo leaks greater than 50,000 ppm" which were not listed in the Rule 1173 Component Leak Reports).

¹¹⁵ Cal. Air Resources Bd., *D-200 Definitions for Vapor Recovery Procedures, supra* note 43, at p. 6 (The lower explosive limit "for methane is 5.0% (50,000 ppm).").

 ¹¹⁶ Cal. Oil and Gas Public Health Rulemaking Scientific Advisory Panel, Response to CalGEM Questions, supra note 13, at 0152.
 117 SCAQMD, NOVs and NOCs, Notice of Violation, No. P73334 (Violation on Apr. 24, 2022), at 0395 (NOV for "[f]ailure to collect &

control emissions of produced gas" and "[f]ailure to comply with all applicable requirements of Rule 1148.1.").

¹¹⁸ SCAQMD, Facility Equipment List Report (Inspection on Jan. 5, 2021) (Attached as Appendix 60); Bertoni Letter, supra note 35, at 0274.

¹¹⁹ Murphy PA5, *supra* note 31, at 0218.

¹²⁰ Id. at 0235.

¹²¹ Los Angeles Dept. of Building and Safety, Application for Electrical Plan Check and Inspection for Permit 20041-9000-32851 (Sept. 30, 2020), 0771 (Attached as Appendix 61).

Turbine Room building.¹²² While this placement may block the stacks from the view of the adjacent homes, it does not eliminate the threat that the fumes will reach the nearby windows.

Redeemer raised concerns about the microturbines with several agencies, but each dodged responsibility or claimed that their responsibility was limited to one aspect of the problem that could not provide meaningful relief. Specifically, DBS refused to inspect the stacks even though it issued the electrical permits for the microturbines. ¹²³ Instead of assuming responsibility, DBS referred Redeemer to the Office of Petroleum and Natural Gas Administration. Unfortunately, the Office of Petroleum and Natural Gas Administration could not take any action to address the microturbines and stacks because there was neither a petroleum administrator nor an inspector on staff. ¹²⁴ Redeemer also contacted the Air District to address the stacks. But the Air District stated that it only provides permits for the microturbines and does not regulate the height or positioning of the stacks. ¹²⁵ As a result, E&B installed and continues to operate its microturbines and stacks without regulatory oversight. Despite the community's best efforts to alert regulators about violations at the Murphy Drill Site and provide information to support enforcement, these efforts disappear through the cracks of a fragmented regulatory landscape.

E&B's violations and the lack of effective regulatory oversight demonstrate that the only way to address the harmful impacts of burning methane gas at the drill site is to prohibit such burning entirely.

C. E&B's Unauthorized Acid Maintenance Jobs

The Municipal Code requires E&B to file an application requesting a determination of conditions from the OZA before conducting maintenance operations on an oil well. ¹²⁶ E&B has never filed such an application despite conducting multiple maintenance operations. As discussed above, these operations involve the injection of thousands of gallons of hydrochloric acid and hydrofluoric acid that are highly corrosive and produce harmful fumes and irritating odors. ¹²⁷ The misuse of these acids poses the risk of long-term health conditions, including irreversible lung damage. ¹²⁸ Most recently, E&B conducted acid maintenance jobs on oil wells at the Murphy Drill Site on May 27 and 28, 2021, and February 25, 2022, without filing applications

¹²² Email Chain between Richard Parks (Redeemer Community Partnership) and John Biezins (Los Angeles Dept. of Building and Safety) (Jan. 12, 2021) at 0777 (Attached as Appendix 62); Redeemer Community Partnership, *Photograph of Exhaust Stacks at Murphy Drill Site* (Feb. 24, 2020) (Attached as Appendix 63).

¹²³ Id. at 0775.

¹²⁴ Email Chain between Richard Parks (Redeemer Community Partnership) and Dr. Fernando Campos (Los Angeles Board of Public Works) (Jan. 20, 2021) at 0780 (Attached as Appendix 64).

¹²⁵ Phone Call Between Richard Parks and SCAQMD Inspector Jarlath Greaney on January 8, 2021.

¹²⁶ LAMC § 13.01(H).

¹²⁷ See supra Section I.C.iii.

¹²⁸ Id.

with the OZA.¹²⁹ By refusing to file such applications, E&B undermines the OZA's oversight of drill site operations and increases the risks to community health and safety. E&B should only conduct acid maintenance operations with the proper oversight, and residents should also receive protection from these risks through the installation of a modern enclosure with a vapor recovery system.

D. E&B's Unauthorized Well Conversion

The Municipal Code requires an operator to apply for a determination of conditions from the OZA before converting an oil well from one class to another. ¹³⁰ Before providing that determination, the OZA investigates the "safety and security" of the proposed well conversion. ¹³¹ E&B has not obtained any such determination of conditions for the conversion of Well 16. When E&B took over operations at the Murphy Drill Site, it assumed the liabilities of the site's previous operators. Liabilities and the corresponding harm to residents surrounding the Murphy Drill Site do not simply disappear every time a new operator arrives. In 2016, the previous operator of the Murphy Drill Site converted Well 16 from a production well to an injection well without receiving a determination of conditions from the OZA. ¹³² To this day, E&B has not applied for a determination, the OZA has not issued a determination, and E&B continues to benefit from an illegal conversion whose risks to the community were never evaluated.

E. E&B's Violations from Improper Operation of the Drill Site

E&B has violated multiple requirements relating to the proper operation of the drill site, which all increase the risks faced by residents in the community and highlight the urgent need for modern conditions. For example, the Los Angeles Fire Department Certified Unified Program Agency ("LAFD CUPA") found that E&B violated its Spill Prevention, Control, and Countermeasure ("SPCC") plan by leaving the drill site unattended. 133 Residents extensively documented more than 50 similar violations that went uncited by LAFD CUPA. 134 For example, over five days in October 2021, E&B left the drill site unattended in total for over six hours. 135

¹²⁹ Redeemer Community Partnership, Video of Operation of Two Acid Tanker Trucks at the Murphy Drill Site (May 27, 2021), https://earthjustice.sharefile.com/d-s3f8d594958574d19aceca1815714eb52;

Redeemer Community Partnership, Photograph of Warning Sign of High Pressure Chemicals in Use Adjacent to Tanker Truck (May 27, 2021) (Attached as Appendix 65); Redeemer Community Partnership, Photograph of Two Acid Tanker Trucks from MTS Solutions (May 28, 2021) (Attached as Appendix 66);

Redeemer Community Partnership, Video of Two Acid Tanker Trucks Pulling Into Murphy Drill Site (Feb. 26, 2022), https://earthjustice.sharefile.com/d-sf9c4fbd488704ee78a392e5bf75b8d87; Redeemer Community Partnership, Photograph of MTS Solutions Truck Pulling into Murphy Drill Site (Feb. 26, 2022) (Attached as Appendix 67).

¹³⁰ LAMC § 13.01(I).

¹³¹ LAMC § 13.01(H)-(I).

¹³² Cal. Dept. of Conservation, Div. of Oil, Gas, & Geothermal Resources, *Report of Property and Well Transfer* (Dec. 30, 2016) at 00788–0789 (CalGEM permit to "rework" (convert from production to injection) Well 16) (Attached as Appendix 68).

¹³³ LAFD CUPA, Inspection Report and Notice of Violation, No. DASFLU7RA (Inspection Jan. 5, 2022) at 0900(Attached as Appendix 69).

¹³⁴ Redeemer Community Partnership, Record of Time When E&B Left the Murphy Drill Site Unattended (June–Dec. 2021) (Attached as Appendix 70).

¹³⁵ Id. (For October 2 to October 7, 2021).

Instead of holding E&B accountable for all these violations, LAFD CUPA suggested that E&B remove its commitment to 24/7 personnel coverage in its SPCC plan to avoid accountability. ¹³⁶ E&B's practice of leaving the drill site unattended creates an unjustified risk for residents and demonstrates E&B's disregard for maintaining even the most minimal level of safety and security at the Murphy Drill Site.

E&B also violates worker safety requirements. On October 19, 2021, the California Division of Occupational Safety and Health ("Cal/OSHA") issued four citations for nine worker safety violations—three of which were categorized as serious.¹³⁷ The agency also issued four informational memoranda for violations that either exceeded the six-month statute of limitations or were photographed by residents but not observed by inspectors during their inspection. The four memoranda put E&B on notice that if it were to be cited again, the violations would be considered willful—the most serious violation level. In total, Cal/OSHA fined E&B \$12,130. Redeemer notified Cal/OSHA of the worker safety violations at the Murphy Drill Site when it presented the agency with several concerning pictures, including workers smoking onsite and oil erupting from wells and onto workers who did not have personal protective equipment.

In another example of its dangerous behavior, E&B allowed an unpermitted vehicle to transport dangerous chemicals to the drill site. On March 18, 2021, a truck handling radioactive materials arrived at the Murphy Drill Site. 138 The California Highway Patrol ("CHP") found that this truck was not permitted for this purpose, as the vehicle's Motor Carrier Permit was inactive. Officers also discovered that the vehicle did not have a United States Department of Transportation Number or a CA Number. Drivers are required to have both numbers, along with a Motor Carrier Permit, to operate vehicles on California roadways. 139 These registration requirements relate to applicable inspection and safety requirements, including required permits for safely transporting hazardous materials. 140 The California Department of Public Health Radiological Health Branch confirmed that the illegal truck hired by E&B transported radioactive tracer liquid to the drill site that was injected down well. 141

¹³⁶ LAFD CUPA, *Inspection Report and Notice of Violation*, *supra* note 133, at 0900 (Noting that CUPA discussed with E&B that there "is no requirement in statute" that the SPCC's require 24-hour personnel coverage).

¹³⁷ See generally Cal/OSHA, Citation and Notification of Penalty to E&B Natural Resources Mgmt. Corp. (Issued on Oct. 19, 2021) at 0194, 0196–0197(Attached as Appendix 71).

¹³⁸ Redeemer Community Partnership, Photographs of Radiation Warning Sign and Production Data, Inc. Truck at Murphy Drill Site (Mar. 18, 2021) (Attached as Appendix 72).; See also Bertoni Letter, supra note 35, at 0282.

 $^{^{139}\} Caltrans,\ CA\ Number,\ https://dot.ca.gov/programs/traffic-operations/legal-truck-access/ca-number.$

¹⁴⁰ Cal. Dept. of Motor Vehicles, *Motor Carrier Permit FAQS*, https://www.dmv.ca.gov/portal/vehicle-industry-services/motor-carrier-services-mcs/motor-carrier-permits/motor-carrier-permits-mcp-faqs/ (Describing inspection program for Motor Carrier Permits); Fed. Motor Carrier Safety Administration, *Getting Started with Registration*, https://www.fmcsa.dot.gov/registration/getting-started (last updated Jan. 24, 2022) (Noting requirements for a USDOT Number relate to applicable safety requirements and Hazardous Materials Safety Permit registration).

¹⁴¹ Email Chain between Richard Parks (Redeemer Community Partnership) and Kathleen Harkness (CDPH) (Mar. 24, 2021) (Attached as Appendix 73); Bertoni Letter, *supra* note 35, at 0282.

E&B's violations exacerbate the inherent risks of allowing an active drill site to operate in South Los Angeles' dense urban fabric, adding greater urgency to the need to modernize conditions at the Murphy Drill Site. These violations also show E&B's fundamental disregard for the community's well-being. E&B has never been, and will never be, a "good neighbor." Although E&B claims that it is highly regulated, the drill site's outdated conditions are clearly not sufficient to protect residents from the inherent dangers caused by the Murphy Drill Site, and E&B's serial violations increase those dangers. In this context, modern conditions are urgently needed to protect the health and safety of the community.

For too long, community members have suffered from inadequate and outdated conditions in the plan approval for the Murphy Drill Site. Redeemer Community Partnership looks to you, Mr. Rausch, to use the OZA's authority to provide immediate relief from E&B's continuing impact on the well-being of nearby residents.

The following conditions, described above, are urgently needed to address ongoing harms experienced by residents living near the Murphy Drill Site:

- (1) fully enclose the Murphy Drill Site in a permanent enclosure, including an enhanced vapor recovery system;
- (2) only allow the use of all-electric workover rigs;
- (3) prohibit the burning of methane gas on the drill site.

Redeemer looks forward to a timely determination on this plan approval. Please do not hesitate to contact our office directly at (213) 766-1062 or ameszaros@earthjustice.org should you have any questions. Thank you for your time and attention to this critically important matter.

Sincerely,

Angela Johnson Meszaros

Byron Chan

Angle Kulgaro Byron (han) Fath

Kartik Raj

2126 West Adams Boulevard Los Angeles, California

ZA 1959 15227

ZA 15227(O)(PA4) REVIEW OF COMPLIANCE 2021

Murphy Drill Site 2126 West Adams Blvd.

2126 West Adams Boulevard Los Angeles, California

July 30, 2021

To: Mrs. Estineh Mailian, Chief Zoning Administrator, Department of City Planning 200 North Spring Street, Room 763
Los Angeles, CA 90012

Ms. Erica Blyther, Petroleum Administrator City of Los Angeles, Department of Public Works 200 North Spring Street, Room 358 (ms 465) Los Angeles, CA 90012

From: Mr. Louis P. Zylstra, Jr. PE E&B Natural Resources Management Corp. 249 East Ocean Blvd., Suite 900

Long Beach, CA 90802

Ref: ZA 15227(O)(PA4) "Letter of Communication" dated June 1, 2021. Request for Plan Approval Application for review of compliance on (PA4).

Dear Mrs. Estineh Mailian and Ms. Blyther:

Thank you for the opportunity to review our compliance and continue a dialogue about our site at 2126 West Adams Blvd. On June 1, 2021 ("E&B") received a "Letter of Communication" from the Chief Zoning Administrator requiring a filing of a Plan Approval application for a review of compliance under Case No. ZA-15227(O)(PA4) dated September 14, 2007.

Background

E&B Natural Resources took over operations of the 2126 West Adams Blvd site ("Murphy") in October 2019. The previous operator was Sentinel Peak Resources. It should also be noted that Southern California Gas Company has its own equipment it owns, maintains and operates on said property.

It is noted that on May 18, 2007, the project ZA15227(O)(PA4) was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference ENV 2007-2400-CE, for a Categorical Exemption, Class 5 Category 23, City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 151000.

Enclosed in this report is additional information related to our compliance per the request from the Los Angeles Department of City Planning.

2126 West Adams Boulevard Los Angeles, California

Good Neighbor Provisions Proposed to the City / ZA:

As part of this review of conditions process, E&B would like to propose the following good neighbor provisions subject to the Murphy site for the ZA's consideration and determination:

Annual inspections: E&B proposes a condition requiring the drill site and operations be inspected annually by the Petroleum Administrator, in concert with such other City agencies as the Petroleum Administrator and/or City deems necessary in order to evaluate compliance with City Code, conditions assigned in ZA approvals, and City permits.

Supplemental emergency reporting: E&B proposes a condition that requires it to immediately notify appropriate City agencies and entities, including the Los Angeles Fire Department, the Petroleum Administrator, and the local City Council office (CD10), of any emergency or accident or spill that requires reporting to any State, County, or regional agency.

Air monitoring: E&B proposes a condition requiring it to, within 6 months of the issuance of the ZA's determination letter, install and begin operating a fence line emissions monitoring system using commercially available equipment that provides continuous monitoring and data recording of quantities of specified pollutants in a manner to be approved by the Petroleum Administrator. It should be noted that E&B already volunteered to move forward on implementation of fence line monitoring.

Whether the additional procedures contemplated above take the form of conditions imposed by the ZA, or whether they are developed in collaboration with the City or other agencies thereafter, E&B agrees in principle to their inclusion as part of a good neighbor provisions package. All these proposed conditions, as ultimately articulated by the City, must be reasonable and economically and technologically feasible. Additionally, the conditions may be replaced by any regulations adopted by the City that are substantially similar or relate to the proposed conditions. The conditions cannot be inconsistent with applicable federal, state or agency laws or rules.

Microturbines: The site is operated using electric power, using microturbines. The site is also on the Los Angeles Department of Water and Power grid. E&B had a community stakeholder inquire about the micro turbines on site. We investigated the inquiry and asked the City for clarification, specifically regarding the approval status since this was before our time as the operator. Micro turbines had been installed by a previous operator and permits from LA City Department of Building and Safety and South Coast Air Quality Management District were obtained. We reference the following for your consideration: 1) PA4, Condition 3 does not include condition 43 of Subsection F of Section 13.01 of the Municipal Code; 2) PA3, Condition 3 dated March 13, 2006 does not include condition 43 (note: we acknowledge that condition was there as part of ZA case No 15227 April 5, 1961); 3) PA2 dated April 15, 2005 page 25 (Condition 9), page 26 (Response to Condition 18), and page 27 (Response to Condition 43) references the micro turbines multiple times; 4) PA3 dated March 13, 2006 "Findings of Fact" page 7 No. 1 and PA4 page 7 No. 1, states "The site is improved with tanks, cellars, mud pits,

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pumps, **generators**, a compression shed and an office building, all located in the R4-zoned portion of the site."; and 5) PA5 dated June 30, 2016 there were several references made to micro turbines.

As part of the process, we would like to extend an invitation to the City, the Planning Department, Petroleum Administrator and Council Office to the subject site for a tour of the facility at a time and date that is convenient for you.

Thank you for your time and consideration. We appreciate the opportunity to continue to dialogue with the City and all stakeholders. If you have any questions, please call on me at any time and we will be available at the public hearing once that date and time is assigned.

Sincerely,

Louis P. Zylstra, Jr. PE Senior Vice President – LA Basin

E&B Natural Resources

lzylstra@ebresources.com

714.968.4770

2126 West Adams Boulevard Los Angeles, California

BACKGROUND

The subject site is located on approximately 3.25 acres site with 323 feet of street frontage along the southerly side of Adams Boulevard, and 165 feet along the northerly side of 27th street.

The property has been under lease since 1961.

The site is zoned {Q}R4-1-O-HPOZ and located within Urbanized Oil Drilling District U-37 established by Ordinance No. 114,701.

Along 27th Street, the property is enclosed with a six foot high wrought iron fence with approximately 44,900 square feet (1.03 acres) of landscaped area immediately behind it. A block wall from 21 feet to 29 feet is located 265 feet north of 27th street.

Oil and gas operations were approved by the City on April 5, 1961.

Subsequent approvals (and other related approvals) were granted as follows:

ZA Case No. 15227

- <u>Case No. ZA 15227(O)(PA4)-1A</u> On June 3, 2014, the South Los Angeles Area Planning Commission denied appeals from two appellants without prejudice. Based on the agreements, the parties involved agreed to on the record that any issues will be raised at the public hearing for a subsequent Plan Approval.
- <u>Case No. ZA 15227(O)(PA4)</u> On December 26, 2013, the Zoning Administrator approved the installation of the CEB800 and Sound Wall subject to specific conditions. On March 11, 2014, the Zoning Administrator issued a communication clarifying that the determination is appealable and established a fifteen day appeal period pursuant to the provisions of Los Angeles Municipal Code Section 13.01-H.
- Ordinance No. 181,769 On June 28, 2011, the Los Angeles City Council passed an ordinance amending Section 12.04 of the Los Angeles Municipal Code to establish the Jefferson Park Historic Preservation Overlay Zone (HPOZ).

- <u>Case No. ZA 15227(O)(PA4)</u> On December 26, 2007, the Zoning Administrator approved the expansion of an existing gas plant on the facility, subject to specific conditions. Equipment additions included six vertical absorbers, a gas compressor, a recirculation pump, a heat exchanger, and sound enclosures, all manufactured off-site, to be installed on the premises.
- Case No. ZA 15227(O)(PA4) On September 14, 2007, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the expansion of the existing well cellar with a maximum of twelve new well slots, including the drilling of two new Class "A" oil wells and one Class "B" well, respectively identified as M-28, M-29, and M-30 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-37 and M-30 respectively, and the future drilling of nine additional wells for a maximum total of 38 well slots.
- <u>Case No. ZA 15227(O)(PA3)</u> On March 13, 2006, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the re-drilling of three Class "A" oil wells, including the conversion of two Class "B" wells into Class "A" wells, identified as M-2RD1, M-12RD1, and M-14RD2 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-36, U-37, and U-82 respectively.
- <u>Case No. ZA 15227(O)(PA2)</u> On April 15, 2005, the Zoning Administrator approved a request for a Plan Approval pursuant to the instruction of the Chief Zoning Administrator, relative to initiating Council Motions (Ludlow-Reyes and Perry-Parks), dated April 13, 2004, in which it has been determined that the subject use poses no significant nuisance to adjoining or neighboring properties. The subject of the Council Motions was, in part, concerning resident complaints of oil fumes and noise arising from recent oil drilling operations at the existing oil drilling site at 2126 West Adams Boulevard.
- <u>Case No. ZA 15227(O)(PA1)</u> On August 1, 2003, the Zoning Administrator approved
 a request for an approval of plans to temporarily modify Condition No. 12 of Case No.
 ZA 15227 to allow the re-drilling of two oil wells on a 24-hour, seven day per week basis
 for approximately 40 days.
- <u>Case No. ZA 15227</u> On February 15, 1994, the Zoning Administrator approved a request for methods and conditions for the expansion of an existing well cellar at the Murphy Drill Site in order to provide additional space for the future drilling of six Class "A" oil wells.
- <u>Case No. ZA 15227 and 16182</u> On June 22, 1993, the Zoning Administrator approved a request for methods and conditions for the re-drilling of three Class "A" Urbanized Oil Drilling District Nos. U-82 and U-37.

- <u>Case No. ZA 15891</u> On August 31, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 153-acre District No. U-38 for the bottoming of not to exceed seven oil wells.
- <u>Case No. ZA 15890</u> On August 30, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-36 for the bottoming of not to exceed eight oil wells.
- <u>Case No. ZA 15227</u> On May 9, 1961, the Zoning Administrator approved plans for landscaping, camouflage for the derrick acoustical quilt, derrick, DC converter house, mud pump, and shaker house.
- <u>Case No. ZA 15227</u> On May 2, 1961, the Zoning Administrator approved plans for drilling equipment and various facilities, grading, retaining walls, masonry walls, drainage concrete structures, drilling cellar, drilling pad, and gates on the subject property.
- <u>Case No. ZA 15227</u> On April 5, 1961, the Zoning Administrator approved the use of the subject property as a controlled drilling site not to exceed five oil wells under certain prescribed conditions and methods of operation with the understanding that additional wells may later be permitted.
- Ordinance No. 114,701 On October 6, 1959, the Los Angeles City Council passed an Ordinance amending Sections 12.04 and 13.01 of the Los Angeles Municipal Code, establishing Oil Drilling District No. U-37.

2126 West Adams Boulevard Los Angeles, California

<u>Under Case Number ZA 15227(O)(PA4) dated September 14, 2007, the following table itemizes E&B's compliance as requested by the Department of City Planning (June 1, 2021):</u>

Notes:

- Condition 2, Case No. ZA 15227(O)(PA4) dated September 14, 2007 states "All terms
 and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be
 strictly complied with, except as modified/clarified as follows:" (Some descriptions were
 abbreviated below)
- Condition 3 continues "All conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3, 4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of subsection F of section 13.01 of the Municipal Code are included in and by reference made part of this approval and shall be complied with to the same extent as if herein restated in detail."
- E&B acknowledges all conditions set forth in Section 13.01-E, 2 which concerns the drilling districts in urbanized areas; E&B is in compliance with all items listed
- E&B also added in the compliance from the Case No. 15227(O)(PA4) "Review of Plans" terms and conditions (a-g) dated December 26, 2007

Condition/Item	Description	Compliance
ZA Case No.	The existing and proposed well corridors shall be in	In compliance.
15227(O)(PA4),	substantial conformance with plot plans submitted	
Condition 1	and attached to the file identified as "Exhibit No. A-1	
	dated March 27,2007"	
ZA Case No.	All terms and conditions specified under extant ZA	See items outlined
15227(O)(PA4),	Case No. 15227, dated April 5, 1961, shall be strictly	below.
Condition 2	complied with, except as modified/clarified as	
	follows:	

Condition/Item	Description	Compliance
ZA Case No.	All conditions set forth in Section 13.01-E, 2 as	In compliance with
15227(O)(PA4),	well as Condition Nos. 3, 4, 5, 8, 9, 17, 18, 19,	13.01-E,2. See
Condition 3	22, 23, 33, 37, 40, 50, 54, 58, and 59 of	subsection F items
	subsection F of section 13.01 of the Municipal	outlined below.
	Code are included in and by reference made part	
	of this approval and shall be complied with to	
	the same extent as if herein restated in detail.	
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance. The
15227(O)(PA4),	7/1/00.) That the operator of any well or wells in the	wells were drilled many
Condition 3;	district shall post in the Office of Zoning	years ago in compliance
LAMC 13.01-F,	Administration a \$5,000 corporate surety bond	with this requirement.
3	conditioned upon the faithful performance of all	
	provisions of this article and any conditions	
	prescribed by a Zoning Administrator. No extension	
	of time that may be granted by a Zoning	
	Administrator, or change of specifications or	
	requirements that may be approved or required by	
	him or her or by any other officer or department of	
	the City, or other alteration, modification or waiver	
	affecting any of the obligations of the grantee made	
	by any City authority shall be deemed to exonerate	
	either the grantee or the surety on any bond posted as	
	required in this article.	
ZA Com No	That the amount one shall many and the demistration of the state of th	In compliance No
ZA Case No.	That the operators shall remove the derrick from each	In compliance. No drilling is currently
15227(O)(PA4),	well within thirty (30) days after the drilling of said	ongoing at the site. For
Condition 3;	well has been completed, and thereafter, when	
LAMC 13.01-F, 4	necessary, such completed wells shall be serviced by	servicing, portable
	portable derricks.	production rigs are used.

Condition/Item	Description	Compliance
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance. The site
15227(O)(PA4),	7/1/00.) That the drilling site shall be fenced or	is fenced and landscaped
Condition 3;	landscaped as prescribed by the Zoning	and inspected annually.
LAMC 13.01-F, 5	Administrator.	
ZA Case No.	That adequate firefighting apparatus and supplies,	In compliance. The Fire
15227(O)(PA4),	approved by the Fire Department, shall be	Department approved
Condition 3;	maintained on the drilling site at all times during	the site's fire systems,
LAMC 13.01-F, 8	drilling and production operations.	and regular inspections
		and testing are
		performed in compliance
		with the Chief's
		Regulation 4.
ZA Case No.	That no refining process or any process for the	In compliance. The
15227(O)(PA4),	extraction of products from natural gas shall be	facility does not perform
Condition 3;	carried on at a drilling site.	refining.
LAMC 13.01-F, 9		
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance. HBOC
15227(O)(PA4),	7/1/00.) That any person requesting a determination	has agreed to be bound
Condition 3;	by the Zoning Administrator prescribing the	by the terms and
LAMC 13.01-F, 17	conditions under which oil drilling and production	conditions of the Zoning
	operations shall be conducted as provided in	Administrator's
	Subsection H, shall agree in writing on behalf of him	approvals.
	or herself and his or her successors or assigns, to be	
	bound by all of the terms and conditions of this	
	article and any conditions prescribed by written	
	determination by the Zoning Administrator;	
	provided, however, that the agreement in writing	

Condition/Item	Description	Compliance
	shall not be construed to prevent the applicant or his	
	or her successors or assigns from applying at any	
	time for amendments pursuant to this Article or to	
	the conditions prescribed by the Zoning	
	Administrator, or from applying for the creation of a	
	new district or an extension of time for drilling or	
	production operations.	
ZA Case No.	That all production equipment used shall be so	In compliance. The site
15227(O)(PA4),	constructed and operated that no noise, vibration,	is inspected regularly by
Condition 3;	dust, odor or other harmful or annoying substances or	several agencies
LAMC 13.01-F, 18	effect which can be eliminated or diminished by the	including by AQMD,
	use of greater care shall ever be permitted to result	LA Fire,
	from production operations carried on at any drilling	CUPA, and CalGEM.
	site or from anything incident thereto to the injury or	
	annoyance of persons living in the vicinity; nor shall	
	the site or structures thereon be permitted to become	
	dilapidated, unsightly or unsafe. Proven	
	technological improvements in methods of	
	production shall he adopted as they, from time to	
	time, become available if capable of reducing factors	
	of nuisance or annoyance.	
ZA Case No.	Wells which are placed upon the pump shall be	In compliance.
15227(O)(PA4),	pumped by electricity with the most modern and	
Condition 3;	latest type of pumping units of a height not more than	
LAMC 13.01-F, 19	sixteen (16) feet. All permanent equipment shall be	
	painted and kept in neat condition. All production	

Condition/Item	Description	Compliance
	operations shall be as free from noise as possible	
	with modern oil operations.	
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance. The site
15227(O)(PA4),	7/1/00.) That not more than two wells may be drilled	uses a directional drilled
Condition 3;	in each city block of the drilling district and	pattern.
LAMC 13.01-F, 22	bottomed under that block. However, at the	
	discretion of the Zoning Administrator, surface	
	operations for additional wells may be permitted in	
	each of the blocks where each additional well is to be	
	directionally drilled and bottomed under an adjacent	
	block now or hereafter established in an oil drilling	
	district in lieu of a well drilled on the adjacent block	
	and under a spacing program which will result in not	
	exceeding two wells bottomed under each block.	
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance.
15227(O)(PA4),	7/1/00.) That not more than two wells may be drilled	
Condition 3;	in each city block of the drilling district and	
LAMC 13.01-F, 23	bottomed under that block. However, at the	
	discretion of the Zoning Administrator, surface	
	operations for additional wells may be permitted in	
	each of the blocks where each additional well is to be	
	directionally drilled and bottomed under an adjacent	
	block now or hereafter established in an oil drilling	
	district in lieu of a well drilled on the adjacent block	
	and under a spacing program which will result in not	
	exceeding two wells bottomed under each block.	
ZA Case No.	(Amended by Ord. No. 173,268, Eff. 7/1/00, Oper.	In compliance. The
15227(O)(PA4),	7/1/00.) That drilling operations shall be commenced	wells were drilled many

Condition/Item	Description	Compliance
Condition 3;	within 90 days from the effective date the written	years ago in compliance
LAMC 13.01-F, 33	determination is made by the Zoning Administrator	with this requirement.
	or Area Planning Commission, or within any	
	additional period as the Zoning Administrator may,	
	for good cause, allow and thereafter shall be	
	prosecuted diligently to completion or else	
	abandoned strictly as required by law and the	
	premises restored to their original condition as nearly	
	as practicable as can be done. If a producing well is	
	not secured within eight months, the well shall be	
	abandoned and the premises restored to its original	
	condition, as nearly as practicable as can be	
	done. The Zoning Administrator, for good cause,	
	shall allow additional time for the completion of the	
	well.	
ZA Case No.	All waste substances such as drilling muds, oil, brine	In compliance. The site
15227(O)(PA4),	or acids produced or used in connection with oil	is in compliance with all
Condition 3;	drilling operations or oil production shall be retained	applicable
LAMC 13.01-F, 37	in water-tight receptors from which they may be	environmental
	piped or hauled for terminal disposal in a dumping	requirements for
	area specifically approved for such disposal by the	disposal of waste
	Los Angeles Regional Water Pollution Control Board	substances used in
	No. 4.	connection with oil
		production.
ZA Case No.	The Department of Water and Power of the City of	In compliance. The
15227(O)(PA4),	Los Angeles shall be permitted to review and inspect	Department of Water

Condition/Item	Description	Compliance
Condition 3;	methods used in the drilling and producing	and Power may review
LAMC 13.01-F, 40	operations and in the disposal of waste, and shall	and inspect the site as
	have the right to require changes necessary for the	needed.
	full protection of the public water supply.	
ZA Case No.	No earthen sumps shall be used.	In compliance.
15227(O)(PA4),		There are no earthen
Condition 3;		sumps on location.
LAMC 13.01-F, 50		
ZA Case No.	That there shall be no tanks or other facilities for the	In compliance. The site
15227(O)(PA4),	storage of oil erected or maintained on the premises	transports oil products
Condition 3;	and that all oil products shall be transported from the	by means of
LAMC 13.01-F, 54	drilling site by means of an underground pipe line	underground pipelines,
100	connected directly with the production pump without	and gas on the site is
	venting products to the atmospheric pressure at the	piped to the local
	production site.	utility's onsite
		equipment or used in the
		microturbines for energy
		production.
ZA Case No.	That no sign shall be constructed, erected,	In compliance. The
15227(O)(PA4),	maintained or placed on the premises or any part	informational signs
Condition 3;	thereof, except those required by law or ordinance to	placed on site are in
LAMC 13.01-F, 58	be displayed in connection with the drilling or	compliance with
	maintenance of the well.	applicable legal
		requirements.
ZA Case No.	That suitable and adequate sanitary toilet and	In compliance. The
15227(O)(PA4),	washing facilities shall be installed and maintained in	site's toilet and washing
Condition 3;	a clean and sanitary condition at all times.	facilities are properly
LAMC 13.01-F, 59		maintained.

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Condition/Item	Description	Compliance
	April 5, 1961 ZA Case No 15227	
ZA Case No.	Conditions set forth in Section 13.01-E,2 as well as	See Updated PA4
15227, Condition 1	conditions Nos of Subsection F of Section 13.01	Condition 3 above.
ZA Case No.	The site is to be in Drilling District U-37. The site is	In compliance.
15227,	to be graded to a final elevation 5 feet below grade.	
Condition 2	The site was graded and drilling operations	
	completed in the 1960's.	
ZA Case No.	That the portion of the drill site on which the drilling	In compliance.
15227,	equipment for all oil wells to be drilled on the site are	
Condition 3	to be located so that "all objectionable features of oil	No drilling is currently
	drilling and production can be controlled so as to	ongoing at the site.
	cause no detrimental to surrounding properties".	
	Drilling was completed in the 1960's, and site	
	equipment must not extend above fences or walls	
	surrounding the site.	
ZA Case No.	That the entire controlled drilling site shall be	In compliance. The
15227, Condition 4	landcaped and planted per approved plans. The over-	site's fencing and
	all landscaping plan shall be first submitted to and	landscaping was
	approved by the Department of Recreation and Parks	approved many decades
	before being submitted to the Zoning Administrator	ago, has been properly
	for approval. The Administrator reserves the right	maintained and serves to
	after approving plans for the landscape treatment to	screen the site from
	specifythe transplanting of additional trees at various	public streets and
	strategic locations upon adjoining property if, after	residential areas.
	such additional trees would assist in accomplishing	
	the screening effect desired.	
	The front gates are to be 25' from the Adams Blvd property line.	

Condition/Item	Description	Compliance
ZA Case No.	This condition required masonry walls be installed at	In compliance.
15227, Condition 5	a height of at least six feet.	
	The condition required solid covering, including	
	gates.	
ZA Case No.	That in addition to soundproofing the derrick and	In compliance. The
15227, Condition 6	other structures as required by Condnition No. 47 of	Zoning Administration
	said Section 13.01-F, soundproofing shall also be	had previously approved
	provided for the electrical distribution center and	the plot plan prior to the
	control house containing automatic electric switches	issuance of drilling
	and for the engine and mud pumps; and that the	permits.
	manner in which the soundproofing is to be	
	accomplished, including a plot plan specifying	No drilling is currently
	location of involved buildings or structures and	ongoing at the site.
	tanks, landscaping of premises, location and type of	
	surfacing on access driveways and other details for	
	the development of the site, shall be submitted to and	
	approved by the Zoning Administrator prior to the	
	issuance of the drilling permit for each of the	
	proposed wells, said soundproofing material as	
	required above to be of a fire resistive type approved	
	by the Los Angeles Fire Department.	
ZA Case No.	The soundproofing of the derick shall be painted and	In compliance. No
15227, Condition 7	camouflaged to blend into the ajacent buildings and	drilling is currently
	landscaping.	ongoing at the site.
ZA Case No.	The pumping equipment will be located 35' from	In compliance.
15227, Condition 8	property lines.	

Condition/Item	Description	Compliance
ZA Case No.	The driveway access from Adams Blvd will be	In compliance.
15227, Condition 9	limited to two, and the 27 th Street access shall only be	
	used in emergencies.	
	The driveways shall be paved.	
ZA Case No.	The drilling of the wells shall be conducted in	In compliance.
15227, Condition	accordance with good oil field practice and the latest	*
10	techniques and refinements in equipment and	
	material shall be used.	
ZA Case No.	The latest and most effective blow-out prevention	In compliance.
15227, Condition	equipment shall be installed and maintained in	
11	connection with the drilling of any well.	
ZA Case No.	That as a further amplification of Condition No. 49	In compliance. See
15227, Condition	of Section 13.01-F of the Municipal Code, except for	update in PA4.
12	actual drilling and production operations, no work	
	shall be conducted on the property between the hours	
	of 6 p.m. of one day and 8 a.m. of the following day	
	or Sundays.	
ZA Case No.	That in no event shall drilling operations be carried	In compliance. No
15227, Condition	on or conducted on said drill site in connection with	drilling is currently
13	more than one well at a time. Furthermore, that prior	ongoing at the site.
15	to the approval or issuance of Fire Department	ongoing at the site.
	permits for each well to be drilled upon the subject	
	site, there shall be supplied to the Zoning	
	Administrator a map showing the general direction	
	and general bottom hole location of said proposed	

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Condition/Item	Description	Compliance
	well so that proper records can be kept as to the	
	number of wells bottomed and completed under said	
	district in compliance with the terms of this grant and	
	the provisions of Paragraph (c), Section 13.01-E, 2 of	
	the Municipal Code. Furthermore, the applicant or	
	operators of the oil drilling activities herein	
	authorized, 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	
	Administrator to properly and intelligently	
	administer the oil drilling regulations in this area; and	
	information to be either verbal or in writing and to be	
	kept confidential by the Administrator if so desired	
	by the applicant.	
ZA Case No.	That if any of the wells hereby authorized are	In compliance.
15227, Condition	successful and are to be maintained as producing	
14	wells and are required to be pumped, then said wells	The site's wells are
	shall be equipped with Kobe or comparable	located in well cellars
	producing units which shall be placed in pits or	below grade and the
	cellars below the surface of the ground so that no	associated equipment is
	visible pumping units will be above the ground	appropriately
	adjacent to the surface location of the wells and that	soundproofed.
	wells shall be serviced with only portable type	
	equipment. Furthermore, that the triplex pump units	
	necessary to operate the Kobe or comparable oil well	
	pumping units, as well as the compressors for	

Condition/Item	Description	Compliance
	compressing the gas to meet pipe-line specifications,	
	shall be housed in substantial buildings which have	
	been acoustically treated so as to be substantially	
	soundproofed.	
ZA Case No.	That all oil and gas produced from the wells on the	In compliance.
15227, Condition	property shall be transported from the drilling site	
15	only by means of underground pipeline connected, if	The site transports oil
	at all practical, directly with the producing pump	products by means of
	without venting products to the atmospheric pressure	underground pipelines,
	at the production site and in no event shall there be	and gas on the site is
	any storage or treatment facilities on the property	piped to the local
	other than necessary to conform production to	utility's onsite
	pipeline requirements. In no event shall more than	equipment or used in the
	three-day storage or two 1,000-barrel tanks,	microturbines for energy
	whichever is greater, be erected or maintained on the	production.
	property. Furthermore, that said production tanks	
	shall be so placed and located with respect to	No oil is stored on
	embankments created by grading the property or	location.
	enclosing fixtures surrounding the site as to not be	
	visible to persons on adjacent public streets or from	7.7.6
	adjacent residential property having approximately	
	the same ground level elevation as the average	
	ground level surrounding the drilling site.	
ZA Case No.	All tools, pipe and other equipment in connection	In compliance. All
15227, Condition	with the drilling and production activities shall be	equipment and tools are
16	stored and kept on the drilling site within the fenced	located within the
	and landscaped enclosure.	facility.

<u>Description</u>	Compliance
After completing the first test well, the bores of	In compliance.
additional wells within the drilling site shall be	
projected directionally under District No. U-37 so	This condition was
that a complete and adequate test of the location,	satisfied when the
extent, character, density and productivity of any	facility was first
deeper producing oil zones below the Las Cienegas	established.
Oil Field referred to above in No. 13 may be had	
from the single drill site area. Said additional wells	No drilling is currently
shall be drilled with due diligence so as to complete	ongoing at the site.
the total number of wells herein authorized to be	
bottomed under said district No. U-37 within the	
shortest possible time, utilizing only one oil drilling	
derrick for said operations. It is understood that there	
need not be drilled one well for each 5 acres as	
authorized, if the applicant lessee determines a fewer	
number would adequately drain the producing zones	
encountered. Furthermore, that upon completion of	
each well, the derrick shall be removed or moved to	
the site for a new well on the drilling site and work	
started towards drilling said new well within the 30-	
day period referred to in Condition No. 4, Section	
13.01-F, to the end that the derrick and drilling	
operations will be removed and discontinued on the	
site in the shortest period of time possible.	
That any owner, lessee or permittee and their	In compliance.
successors and assigns, as well as the concern which	Compliance with
is to actually do the drilling work, if different than	insurance and surety
the above, must at all times be insured to the extent	
	After completing the first test well, the bores of additional wells within the drilling site shall be projected directionally under District No. U-37 so that a complete and adequate test of the location, extent, character, density and productivity of any deeper producing oil zones below the Las Cienegas Oil Field referred to above in No. 13 may be had from the single drill site area. Said additional wells shall be drilled with due diligence so as to complete the total number of wells herein authorized to be bottomed under said district No. U-37 within the shortest possible time, utilizing only one oil drilling derrick for said operations. It is understood that there need not be drilled one well for each 5 acres as authorized, if the applicant lessee determines a fewer number would adequately drain the producing zones encountered. Furthermore, that upon completion of each well, the derrick shall be removed or moved to the site for a new well on the drilling site and work started towards drilling said new well within the 30-day period referred to in Condition No. 4, Section 13.01-F, to the end that the derrick and drilling operations will be removed and discontinued on the site in the shortest period of time possible. That any owner, lessee or permittee and their successors and assigns, as well as the concern which is to actually do the drilling work, if different than

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Condition/Item	<u>Description</u>	Compliance
	of \$2,000,000 against liability in tort and public	requirements has been
	liability and property damage arising from drilling or	confirmed by City.
	production, or activities or operations incident	
	thereto, conducted or carried on under or by virtue of	
	the conditions prescribed for this district and by	
	written determination by the Administrator as	
	provided in Subsection H of Section 13.01 of the Los	
	Angeles Municipal Code. The policy of insurance	
	issued pursuant hereto shall be subject to the	
	approval of the City Attorney and duplicates shall be	
	furnished to him. Each such policy shall be	
	conditioned or endorsed to cover such agents,	
	lessees, or representatives of the owner, lessee or	
	permittee as may actually conduct drilling,	
	production or incidental operations permitted by such	
	written determination by the Administrator. A	
	certificate of insurance to the above effect, giving the	
	name of the insurance carrier and its address and a	
	sworn statement that such insurance will be	
	maintained in full force and effect, shall be furnished	
	to the Zoning Administrator before any permits are	
	issued.	
ZA Case No.	That the surety bond in the sum of \$5,000 required	In compliance. The
15227, Condition	by Condition No. 3 of the above-mentioned	wells were drilled many
19	Subsection F and Condition (g) under Section 13.01-	years ago in compliance
	E, 2 of the Municipal Code shall be approved by the	with this requirement.
	City Attorney, executed by both the applicant and	
	any lessee who is to do the actual oil drilling and	

Condition/Item	<u>Description</u>	Compliance
	filed with the Zoning Administrator before any	No drilling is currently
	permit is issued.	ongoing at the site.
ZA Case No.	The operator, after drilling each well to a depth of	In compliance.
15227, Condition	approximately 2,000 feet, shall take an electric log of	
20	the well to that depth, analyze the log and provide the	No drilling is currently
	Department of Water and Power of the City of Los	ongoing at the site.
	Angeles with a copy of said log, together with its	
	interpretation, showing aquifers and an estimate for	
	the salinity of all waters encountered. From the	
	information so obtained, a joint determination shall	
	be made of the required depth at which the surface	
	casing shall be cemented. Sufficient cement shall be	
	used to reach the ground surface behind the surface	
	casing. On completion of the drilling program,	
	another log shall be taken and analyzed and, if	
	necessary, additional steps shall be taken to prevent	
	the vertical movement of brine into fresh water	
	zones. In the event no commercial production of oil	
	is obtained, cement plugs shall be used to protect all	
	fresh water in abandonment of the well. A	
	conference between the operator and officials of the	
	Department of Water and Power shall determine the	
	location and extent of the plugs required. Provided,	
	however, that the Department of Water and Power	
	may waive the requirement for a log on each well, if	
	sufficient sub-surface data is obtained from previous	
	logs to permit it to carry out the purpose of this	
	condition.	

Condition/Item	<u>Description</u>	Compliance
ZA Case No.	That the public water supply system on the property	In compliance. Agency
15227, Condition	shall be protected against backflow where necessary	officials are welcomed
21	in a manner acceptable to the Departments of Health	to the facility for
	and Water and Power and meeting the requirements	inspection as needed.
	of the Uniform Plumbing Code. Furthermore,	
	representatives of the said Departments may enter	
	upon the premises at any reasonable time for routine	
	investigation of operations. Any necessary changes	
	that may be ordered in operations and/or facilities	
	shall be made within a reasonable time as determined	
	by the Investigator.	
ZA Case No.	That the drilling site and approaches thereto shall at	In compliance. The site
15227, Condition	all times be kept in a clean, neat appearing condition	is properly maintained,
22	free from weeds and debris, other than necessary and	including fencing and
	incidental drilling equipment and supplies shall be	landscaping which
	effectively landscaped and maintained as required	serves to screen the site
	under various applicable conditions heretofore	from public streets and
	mentioned and in compliance with plans approved by	residential areas.
	the Zoning Administrator.	Equipment is removed
		from the site upon
	Furthermore, that upon completion of the drilling	completion of work.
	operations, all equipment and supplies, except that	
	actually necessary in production work and as	
	specified on plans for the installation of the various	
	production facilities and devices, shall be removed	
	from the property so that, as far as practicable, there	
	be no evidence above the ground of the presence of	

Condition/Item	Description	Compliance
	the oil producing facilities in the pits and cellars heretofore specified.	
ZA Case No.	That if oil drilling and production is successful on the	In compliance. No
15227, Condition	subject property and there is any evidence that the	subsidence control is
23	production activities cause noticeable subsidence in	necessary.
	the present elevation of the ground on the subject	
	property or in the immediate vicinity, then the Chief	
	Zoning Administrator, after consultation with	
	recognized experts in connection with this problem,	
	shall have authority to require corrective action, such	
	as depressurizing the oil producing structure or the	
	cessation oil drilling and production.	
ZA Case No.	That the Zoning Administrator reserves the right to	In compliance. No
15227, Condition	impose additional conditions or require corrective	drilling is currently
24	measures to be taken if he finds after actual	ongoing at the site.
	observation or experience with <i>drilling</i> one or more	
	of the wells on the subject property that additional	
	conditions are necessary to afford greater protection	
	to surrounding residential property as intended by the	
	provisions of Section 13.01 of the Municipal Code,	
	as well as the conditions set forth in Ordinance No.	
	114,701.	
	ZA Case No. 15227	
	PA4 Conditions (Continued)	
ZA Case No.	Landscaping of the site shall be maintained as	In compliance. Majority
15227(O)(PA4),	follows:	done before E&B was
Condition 4;		operator.

Condition/Item	11 20	Description	Compliance
	a)	With respect to that portion of the drillsite	
		south of the cement block wall and facing	E&B recently painted
		27^{th} avenue the applicant shall (1) remove the	fence along 27 th Ave.
		invasive/noxious plants; 2) plant 3 to 4 trees	
		(of 24-inch box size) as infill trees along the	E&B is in
		south facing facility wall; 3) plant ficus or	communication with
		climbing ivy or similar plant-life (grown to 5	CD10, Neighborhood
		gallon size containers) along the south facing	Council and
		facility wall; 4) spread wildflower/grass mix	Archdiocese related to
		in the open areas of south parcel (approx $\frac{3}{4}$	public access. The
		ac.); 5) install drop irrigation systems on the	pandemic slowed us
		new plantings along south facing facility	down, but we remain
		wall; 6) provide for temporary watering of	optimistic that there's a
		the grasses and put sprinklers on timers to	path forward.
		insure proper maintenance of the grassy area;	
		7) install new or improved cyclone fencing	
		along 27th avenue; 8) improve the appearance	
		of the East fence by painting it; 9) install	
		meandering dry creek bed hardscape on	
		South parcel, utilizing broken concrete	
		foundations from PXP facilities; 10) work	
		with 10th Council District office and	
		Archdiocese to allow future public access	
	b)	With respect to that portion of the drillsite	In compliance. Majority
		East of the cement block wall and fronting	done before E&B was
		on adams blvd, the applicant shall 1) install	operator.
		new/improved cyclone fencing along Adams,	
		including raising the East facing step wall	
		which is only 2-3 feet high; 2) upon receipt	

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Management Company

Condition/Item	<u>Description</u>	Compliance
	of the adjacent property owners approval,	
	install 2-foot high wrought iron fencing or	
	equivalent on top of existing block wall	
	(approx 300 feet); 3) remove graffiti on east	
	wall; 4) improve wall on west side of parcel	
	by painting and installing new cyclone	
	inserts; 5) level and place gravel surface	
	down approx half the depth of the lot and	
	place barriers to protect the remaining	
	portion of the lot; obtain permits for use as	
	temporary parking lot; 6) install parking lot	
	lighting; 7) plant ficus / climbing ivy or	
	similar along east and west walls to enhance	
	its appearance; 8) install drip irrigation on	
	new plantings; 9) install sprinkler timers.	
	c) A yearly review of the landscaping shall be	In compliance. This
	conducted by the applicant with CD10 office	year's review will be
	and the UNNC.	done towards end of
		year.
ZA Case No.	That driveway access for ingress and egress to the	In compliance.
15227(O)(PA4),	drilling site shall be provided through the existing	
Condition 5;	driveways fronting on Adams Blvd. Furthermore,	
	that the existing parking area on the enclosed drill	
	site area for use by vehicles employed in drilling and	
	maintaining of oil wells on the property and for	
	parking of automobiles of employees engaged in the	
	drilling and production activities shall be augmented	
	by additional parking on the area on the East of the	
	drillsite outside of the enclosed area, which area shall	

Condition/Item	<u>Description</u>	Compliance
	be leveled and covered with a gravel surface to	
	approximately one-half the depth of the lot for use as	
	additional parking for employees and overflow	
	parking for the Athletic Club. Parking on the east	
	side of the drill site, outside of the enclosed area shall	
	not be used for heavy trucking operations or staging	
	or storage of any. All such driveways and parking	
	areas shall be regularly washed down, swept or	
	otherwise kept free of accumulated cement, dust, or	
	other materials which would produce dust in the use	
	of said facilities.	
ZA Case No.	As further amplification of Condition 49 of Section	In compliance.
15227(O)(PA4),	13.01-F of the Municipal code except for actual	
Condition 6	drilling and production operations which may be	We did experience 1
	conducted 24 hours a day, seven days a week, no	emergent situation,
	work shall be conducted on the property between the	during production
	hours of 7pm one day and 7am the following day or	operations, where we
	on Sundays. While actual drilling operations are	needed to work past 7pm
	being conducted between the hours of 7pm of and	slightly. We did
	7am, the applicant shall operate its facility in Quiet	communicate this to the
	Mode. Quiet Mode shall mean that where possible,	Planning Department as
	operation components shall be covered with	a courtesy that same
	acoustical shields/material, that all audible backup	day.
	alarms shall be disabled and replaced with a spotter	
	for safety purposes; operation of the cellar pump	Internally our goal is
	shall cease; the applicant's employees and	8am to 6pm. We did
	contractors shall be prohibited from yelling; and the	have one crane truck
	derrick man and driller shall communicate by walkie	show up 15 minutes
	talkie only when the derrick man is on the derrick; no	prior to 7am for

Condition/Item	Description	Compliance
	horns shall be used to signal for time for connection	production operations.
	or to summon crew (except that a horn be used for	We did not begin crane
	emergency purposes only). The applicant shall	operations until after
	conduct onsite meetings to inform all personnel of	7am.
	quiet mode operations.	
	In case of emergency, all restrictions on the hours	
	of operations shall be suspended for as long as	
	necessary to resolve the emergent situation and	
	for no longer.	
	Notwithstanding the foregoing, during the period	
	necessary to set up and move the drilling rig off the	
	premises, and to conduct drilling or re-drilling	
	operations as herein authorized, heavy ("permitted"	
	oversized/overweight load) truck deliveries shall be	
	permitted from 7am to 9:30pm on week days, none	
	during weekends and holidays. Deliveries shall be	
	made by approaching the facility off of Adams Blvd	
	exclusively. Delivery trucks are to be staged off site	
	so as to reduce the time that trucks need to wait to	
	enter the facility. If there is not sufficient room	
	within the interior of the facility to accommodate a	
	given heavy delivery truck, the applicant shall not	
	call for the delivery of such heavy truck unless and	
	until another heavy delivery truck parked within the	
	facility is scheduled to leave the facility within 15	
	minutes. The maximum number of heavy truck	
	deliveries allowed for moving the drilling rig on and	

Condition/Item	Description	Compliance
	off the premises shall not exceed 20 loads per day for	
	a period of four days. Except for the four days	
	required to move the drilling rig on and off the	
	premises, the number of "permitted" truck deliveries	
	per day (week days only, none on weekends and	
	holidays) shall be limited to a maximum of ten. The	
	number of "non-permitted" truck deliveries per day	
	(week days only) shall be limited to a maximum of	
	ten. The number of "non-permitted" truck deliveries	
	per day (weekends and holidays only) shall be	
	limited to a maximum of five.	
	The applicant shall give all abutting property owners	
	written notice in both English and Spanish served by	
	mail at least seven days prior to the dates when heavy	
	truck traffic will commence related to moving the rig	
	in for the drilling or re-drilling of wells.	
ZA Case No.	The applicant shall install the following sound	In compliance. No
15227(O)(PA4),	mitigation systems and implement administrative	drilling has occurred.
Condition 7	noise controls as follows:	
	a) Modified – erect a 30-foot high blanket	
	sound wall on the West side of the drilling	
	rig at the Murphy site (west side property	
	line), with the payout and wall lengths	
	determined after the drilling rig and	
	equipment positioning has been established.	
	Install the sound wall as close as possible to	
	the drilling rig and associated equipment	

Condition/Item	Description	Compliance
	with no gaps or openings in the walls. The	
	sound material should have a minimum STC	
	rating of 25. Sound wall gates shall be	
	installed with the same sound loss rating as	
	the wall material and the gates shall be	
	closed at all times except for material	
	delivery or pick up. The sound wall shall not	
	be maintained for more than 120 continuous	
	days. Should unforeseeable mechanical	
	problems warrant the maintenance of the	
	sound wall for a period exceeding the 120	
	continuous days, the applicant shall notify	
	the Zoning Administrator and Council Office	
	and inform the owners and occupants of	
	surrounding property of the reasons for and	
	estimated duration of the delay in the	
	dismantlement of the wall.	
	b. – i.) all drilling rig related noise mitigation	
ZA Case No.	Drilling operations may be conducted seven days per	In compliance. No
15227(O)(PA4),	week on a 24hr basis including any nationally	drilling has occurred.
Condition 8	recognized holiday.	
ZA Case No.	The applicant shall permanently post at all of the	In compliance.
15227(O)(PA4),	site's entry gates a direct telephone number to the	
Condition 9	Supervisor of the site at that time for residents to call	
	and report any on-going problem. A call log shall be	
	maintained including date and time of call and	
	subject, and date and time of response and action.	
	Said call log shall be made available at the request of	
	the Zoning Administrator.	

Condition/Item	Description	Compliance
ZA Case No.	The applicant shall conduct daily inspections of the	In compliance.
15227(O)(PA4),	premises, including exterior of the concrete wall and	
Condition 10	the open areas on the east side of the premises and	
	the south side, facing 27th street. All trash and debris	
	shall be removed from the site daily.	
ZA Case No.	All graffiti on the site shall be removed or painted	From time to time, we
15227(O)(PA4),	over to match the color of the surface to which it is	do spot graffiti and clean
Condition 11	applied within 24 hours of its occurrence.	it up immediately.
		However, and
		fortunately, it is a rare
		occurrence to see at our
		property. We had one
		incident – the words
		"20s" graffiti on the east
		side fence in the empty
		parking area and we did
		not catch it for some
		time. We do our best to
		catch any and all graffiti
		and have increased our
		protocols and training in
		this area.
ZA Case No.	The authorized use shall be conducted at all times	In compliance.
15227(O)(PA4),	with due regard for the character of the surrounding	
Condition 12	district, and if the right is reserved to the Zoning	See our letter. We have a
	Administrator, such conditions are proven necessary	couple of good neighbor
	for the protection of persons in the neighborhood or	provisions we believe
	occupants of adjacent property.	would be good to
		propose including

Condition/Item	<u>Description</u>	Compliance
		annual inspections and
		air monitoring.
ZA Case No.	All lighting on the site shall be shielded and directed	In compliance.
15227(O)(PA4),	onto the site and no floodlighting shall be located so	
Condition 13	as to be seen directly from any adjacent residential	
	area.	
ZA Case No.	At any time during the period of validity of this	In progress. E&B
15227(O)(PA4),	grant, should documented evidence be submitted	welcomes a review of
Condition 14	showing continued violation of any condition of this	compliance with the ZA.
	grant, resulting in an unreasonable level of disruption	
	or interference with the peaceful enjoyment of the	
	adjoining and neighboring properties, the Zoning	
	Administrator reserves the right to require the	
	applicant to file a plan approval application with fees	
	with a public hearing to review the applicant's	
	compliance with the effectiveness of the conditions.	
	December 26, 2007 ZA Case No 15227(O)(PA4)	
	"Review of Plans"	
	Note: "These conditions shall apply to the	
	construction and operation of the gas plant only.	
	Conditions for the regular operation of the site as	
	imposed in Case No. ZA 15527(O)(PA4), dated	
	September 14, 2007, remain unchanged."	
December 26, 2007	A sound enclosure (barrier) shall be erected on two	In compliance. This was
ZA Case No	sides (north and south) and top of the PSA skid. The	built with a prior
15227(O)(PA4)	barrier shall be installed as close as possible to the	operator, PXP.
"Review of Plans";	PSA skid, completely enclosing the skid's top and 2	
Condition A	sides with no gaps or openings in the sound barriers.	

Condition/Item	Description	Compliance
	The sound barrier material shall adhere to the	
	specifications in A.	
December 26, 2007	To verify and document sound level compliance,	In compliance.
ZA Case No	operational sound level measurement will be	
15227(O)(PA4)	completed at start-up, after the equipment and sound	This was completed with
"Review of Plans";	mitigation system installation completed.	a previous operator,
Condition B		PXP.
December 26, 2007	The equipment and enclosure shall not exceed a	In compliance.
ZA Case No	height of 12 feet AGL not to be visible from	
15227(O)(PA4)	anywhere outside the property.	
"Review of Plans";		
Condition C		
December 26, 2007	The gas plant equipment shall be in compliance with	In compliance.
ZA Case No	AQMD rules, not causing any nuisance odor in or	
15227(O)(PA4)	outside of the drill site. Equipment shall be	
"Review of Plans";	maintained leak-free and be monitored on a quarterly	
Condition D	basis.	
December 26, 2007	Hours of construction shall be limited to 7am to 7pm	In compliance.
ZA Case No	6 days per week. No work will be conducted on	
15227(O)(PA4)	Sundays.	
"Review of Plans";		
Condition E		
December 26, 2007	During construction operations the site shall be	In compliance.
ZA Case No	watered as needed to maintain dust levels below	
15227(O)(PA4)	those stipulated by SCAQMD for construction	

Condition/Item	Description	Compliance
"Review of Plans";	activities. Driveway and parking areas shall be	
Condition F	regularly washed down, swept or otherwise kept free	
	of accumulated dirt, dust or other material which	
	would produce dirt.	
December 26, 2007	All employee parking including contractor personnel	In compliance.
ZA Case No	shall be provided on site and strictly prohibited on	
15227(O)(PA4)	Adams Blvd or any residential street.	
"Review of Plans";		
Condition G		

Murphy Drillsite Thoto Index Map



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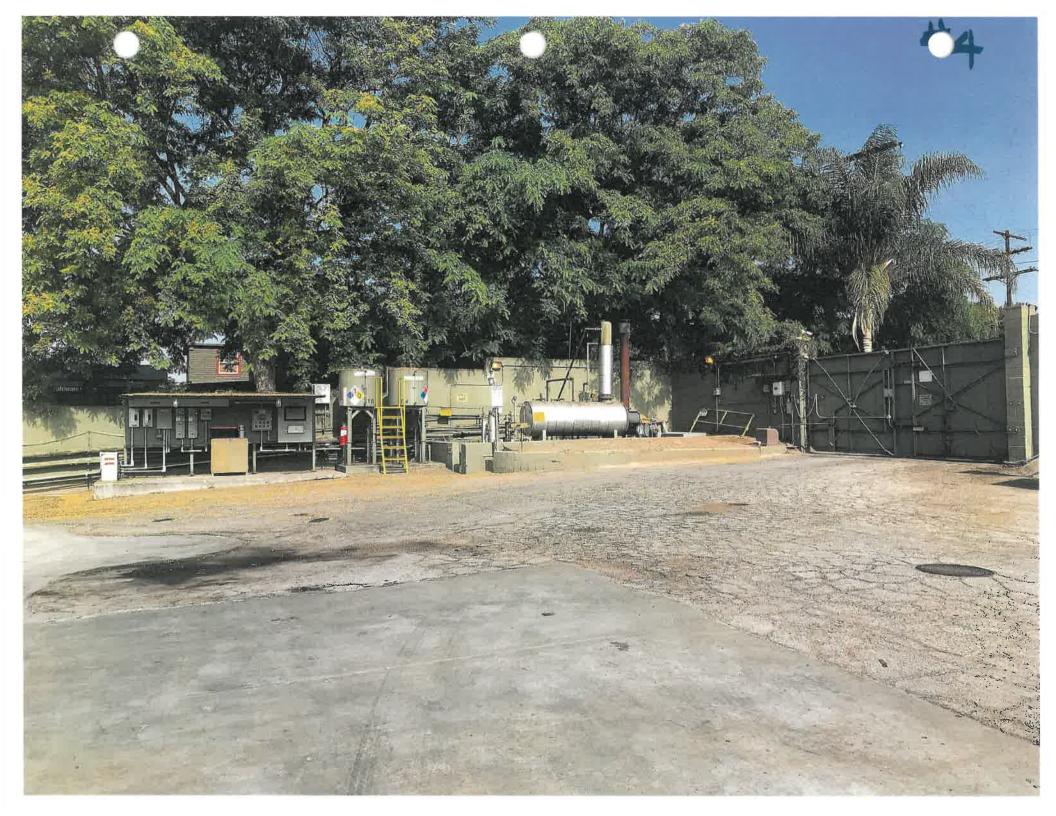
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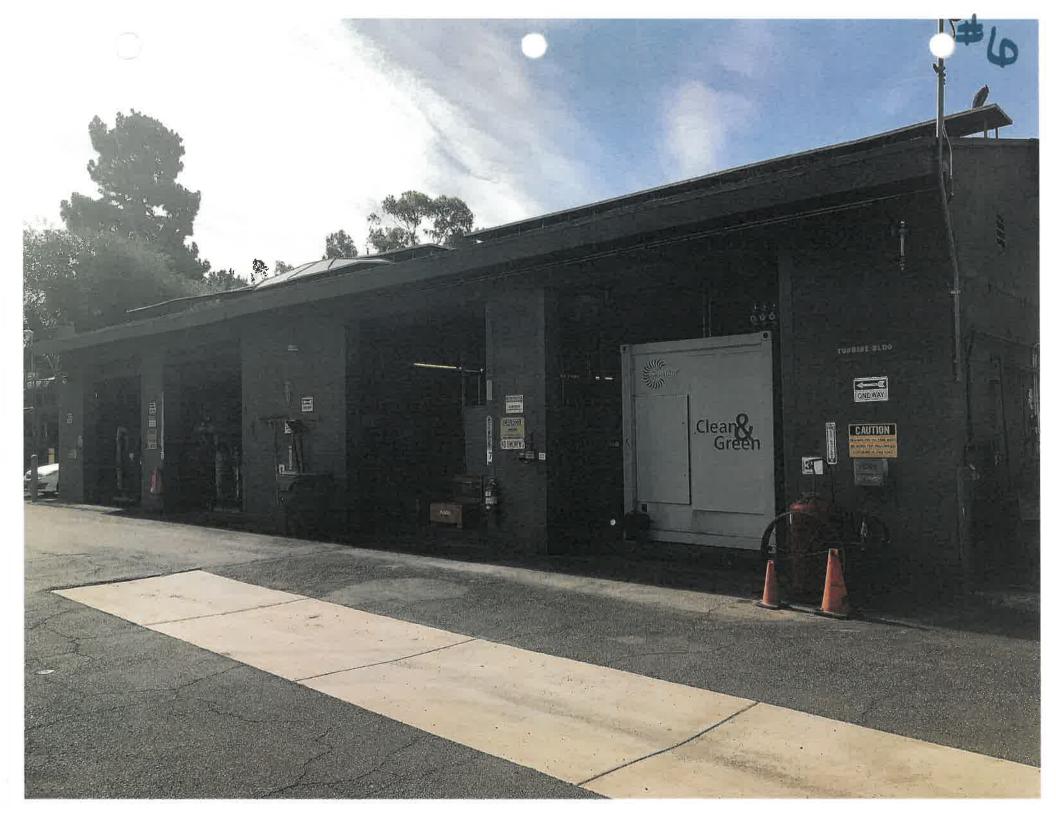














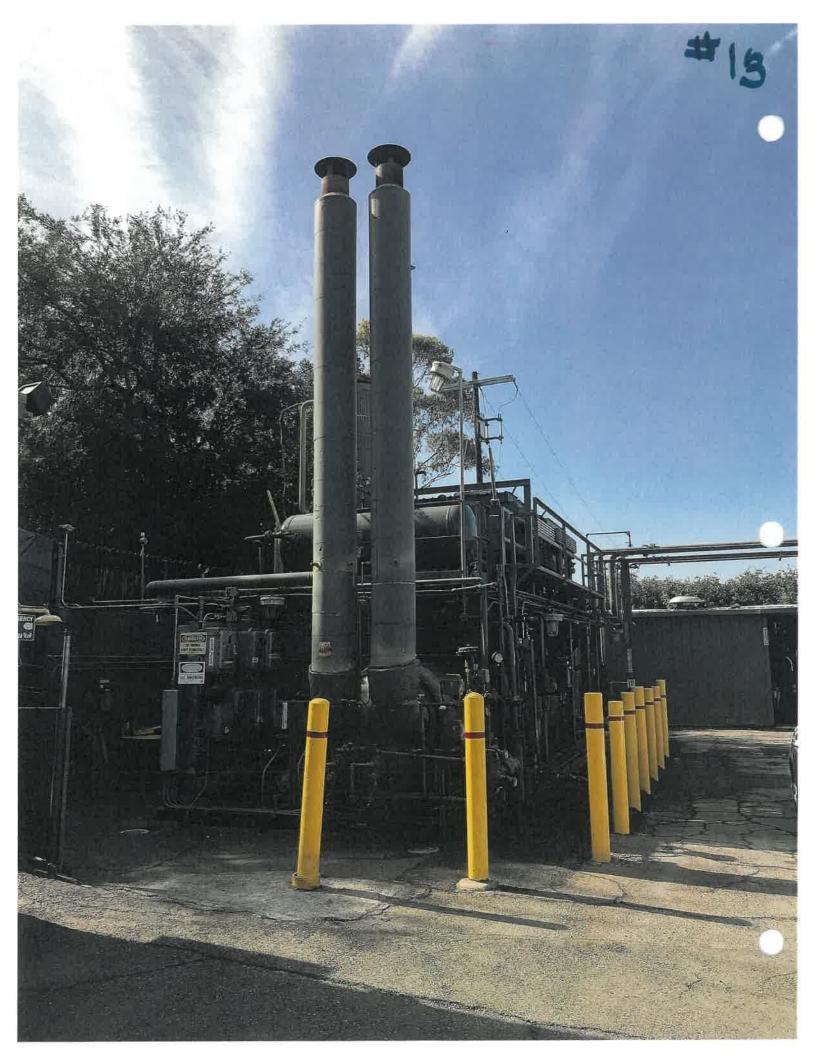




















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In a Largely Black and Latino Community, Neighbors Worry About the Oil Wells in Their Midst

Activists get a victory in their fight to protect South L.A. residents from a Catholic Archdiocese-owned oil drill site.



Published on March 3, 2023

By Jeremy Lindenfeld



The Murphy Drill Site in the Jefferson Park neighborhood of Los Angeles. Photo: Sarah Craig/Faces of Fracking.



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Surrounded by apartment buildings and retirement homes, and less than 1,000 feet from three public schools, an active oil drill site is hidden just behind a green fence and a row of carefully manicured trees. Two gates on either end display signs identifying the Murphy Site, operated by E&B Natural Resources. The signs warn of cancer- and birth defect-causing chemicals, and the possible presence of hydrogen sulfide, an extremely flammable and toxic gas known for its pungent, "rotten egg" odor.



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The Murphy Site, which taps the La Cienegas Oil Field, is located in Jefferson Park, a South L.A. neighborhood composed mostly of Black and Latino residents. Those living near the site display "significantly higher prevalence of wheezing, eye and nose irritation and dizziness" as well as reduced lung capacity, according to a 2021 study from the University of Southern California.

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The site is not owned by an energy company, though, but by the Catholic Archdiocese of Los Angeles. That's why some religious activists have been calling on the archdiocese and the city to protect those at risk of exposure to dangerous chemicals by shutting down the site, which has been active since oil wells were first drilled in 1961 after an oil tycoon's daughter donated the property to the archdiocese. That years-long activism has culminated in a response from the city in late February that places sweeping restrictions on E&B Natural Resources' operations and represents a huge victory for public health advocates.

"Oil drill sites are fundamentally incompatible with residential neighborhoods," said Richard Parks, the president and founder of Redeemer Community Partnership, a Christian faithcentered nonprofit whose priorities include keeping South L.A. residents safe from the health effects of urban oil wells. "The Murphy Drill Site should have never been here, and it shouldn't be here now."

E&B Natural Resources did not respond to requests for comment.



Richard Parks stands across the street from the Murphy Drill Site. Photo: Jeremy Lindenfeld.



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In 2019, Redeemer Community Partnership's advocacy helped <u>lead to the closure</u> of the Jefferson Drill Site in North University Park, a nearby site that also operated on land owned by the archdiocese. More recently, alongside Holman United Methodist Church, RCP has been working to achieve similar results at the Murphy Site.

Unlike many oil drilling operations around the city, the Murphy Site is not enclosed by barrier walls, allowing toxic chemicals and emissions to spread out across the neighborhood. It also produces much of its own energy by burning methane gas, while sites in more strictly regulated areas, like the Hillcrest Country Club, have been using cleaner electrical power for decades.

Advocates like Parks say stricter environmental and health regulations are long overdue in marginalized neighborhoods like Jefferson Park.

"The city needs to extend to South L.A. the same protections it gave to wealthier, whiter, West L.A. neighborhoods more than 20 years ago," Parks said.

Some Jefferson Park residents suspect the health effects of the Murphy Site go beyond wheezing and reduced lung capacity. At a protest in late January, longtime resident the Rev. Helena Titus, whose childhood home lay within 500 feet of the operations, described just how much oil drilling had affected her life and neighborhood.

"When I would go to school, I would walk past the Murphy Site and there would be black smoke billowing out," Titus said. "My mother was diagnosed with non-Hodgkin's lymphoma, then my next door neighbor got it, and then I was diagnosed with it. How could this be? There are people suffering from diseases in our neighborhood at untold rates."

Though the neighborhood around the Murphy Site has not been studied, similar oil and gas developments have been shown to increase cancer rates in communities situated near those sites.



The Rev. Helena Titus stands on the corner of the street she grew up on. Photo: Jeremy Lindenfeld.

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E&B Natural Resources has been cited repeatedly by agencies as recently as last September for failing to comply with safety regulations at the operation. The South Coast Air Quality Management District issued two violations because the site is closer than 1,000 feet from three K-12 schools and because a third party contracted by E&B Natural Resources misrepresented the schools' proximity to the drill site. The Los Angeles Fire Department issued violations for improperly reactivating or plugging abandoned wells. Failure to address those "idle wells" can lead to the poisoning of underground water sources and create a pathway for explosive and toxic hydrocarbons like methane to reach the surface. The California Geologic Energy Management Division alone has issued more than 20 notices of violation since 2020 for improperly installing pipes, grates, hatches and crucial labels.

To progressive Christians like Parks, the damage being dealt to residents is antithetical to the mission of the Catholic Church.

"I've reached out to the archdiocese and I've said, 'This is blood money that you're taking here,'" Parks said. "'Would you think about breaking this lease out of love for your South L.A. neighbors?'"

He said, "Their answer was no."

Contacted for comment, the archdiocese's director of media relations, Adrian Alarcon, said it is "committed to the safety and wellbeing of [its] communities." Alarcon said the archdiocese is "supportive of efforts to ensure that operations are conducted in accordance with all public safety and air quality regulations," but did not address whether the archdiocese would be open to ceasing the oil operations that have earned it millions of dollars in rent and production royalties.

"The archdiocese has an extractive theology," Parks said. "It would take a change of leadership and a profound change of heart to close the oil operations."



Signs on the Murphy Drill Site gate. Photo: Isabel Avila.

"When you know you are harming people, and you say, 'Sorry, we are making googobs of money over here,' that's malevolence," Titus said. "I don't know another definition of evil."

In December of 2022, the Los Angeles City Council unanimously approved an ordinance banning new oil and gas extractions and requiring existing operations to be phased out within 20 years. Activists applied the move, but say that decades is too long to wait for those living in the shadow of oil wells.

"It's wonderful that the city has passed a phase out ordinance," Parks said. "But we don't believe that that absolves the city of its responsibility and duty to protect the health and safety of residents during that phase out period."

Because the Murphy Site continues to operate in Jefferson Park, activists like Parks and residents like Titus continue to demand safer conditions.

"If we don't stand up and demand that we get equitable treatment, then who will? How long are we going to allow this?" Titus said. "We're going to stand up and cause this to end. Either they will treat us equitably or they will be shut down, in the name of Jesus."

* * *

That equitable treatment may finally be coming to Jefferson Park after a Letter of Determination was released by the city of Los Angeles' Office of Zoning Administration on Feb. 28. The legally binding document outlines more than 30 conditions, meant to "increase the protection of and to preserve the health, safety and general welfare of the residents and

stakeholders of the neighborhood," that E&B Natural Resources must meet in order to continue operations at the Murphy Drill Site.

According to the document, E&B Natural Resources is already compliant with many of the conditions, but fails to meet crucial ones like not allowing avoidable "noise, vibration, dust, odor or other harmful or annoying substances" to affect nearby residents.

Further, the letter also imposes new conditions and appears to address some of the community's highest-priority demands, such as the construction of a 45-foot-tall barrier to enclose the site within two years, and the transition to exclusive use of electric power for onsite operations.

According to Angela Johnson Meszaros, Redeemer Community Partnerships' legal counsel at Earthjustice, failure to meet the conditions could spell an end to E&B Natural Resources' Murphy operation.

"If they can't comply with the requirements, the city can petition the court to declare them a nuisance," Johnson Meszaros said. "Nuisance operations have to be corrected or shut down."

Advocates have spent years fighting the harmful effects of the Murphy Drill Site but, according to Parks, this latest development represents the biggest step yet in protecting residents who have until now been ignored.

"The city's Murphy decision begins to set right the wrongs of malign neglect, sacrificial zonings and environmental racism that for decades left South L.A. families more exposed to the harms of neighborhood oil drilling than those in wealthier, whiter, West L.A. neighborhoods," Parks said. "It is a tremendous victory for South L.A. residents."

Jefferson Park residents like Titus are grateful for the development and recognize that the city's latest effort will make a real difference in people's lives. Still, they say work remains to be done.

"It's hard to say that it's a victory because those protections should have always been there," Titus said. "We're glad we were able to make people do the right thing, but when will people do what is right because it's right, not because of some threat? Only then will we live in a just society."

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Name: Emilio Baraza Date: 1-22-21
Test Radiation Safety Fundamentals, Operating and Emergency Procedures
 At PDI, what type of radioactive particle are we exposed to the most? Alpha Beta
© Gamma
d. Neutron
2. How do we keep track of our exposure?
By Word of mouth
c. In our utilization Logs
d. Written in our LP2 files
3. The time required for the amount of a specified element to be decreased by 50% of its initial value is WHAT?
a. 8.25 Days
b. 2 years
d. 1 Week
d. I Wedi
4. Which Radio-Nuclides does PDI deal with during surveys?
F&S I-134 and K-84
b. lodine 130 and Kryptonite 77
(c.) I-131 and K-85
d. lodide 131 and Krypton 86
5. What is the maximum allowable exposure to someone not wearing a film badge? (a) 0.2 Mr/Hr
б. 2.0 Mr/Hr
c02 Mr/Hr d. Worldstar Website
d. Worldstal Website
6. What PPE should be worn when dealing with liquid radioactive tracer? Film Bages Gloves, Eye Protection, Respirator
7. What steps must you follow in the case of a radioactive spill? Notify PSO not consider if liquid and meaning gloves Police area, take notes of events
you've are / 12

8. What steps should you take if you are injured during work with radioactive material?
Wash hards, righty for rathly physicians do not return to work with authorized by physician take roke.

- 9. If we are reading 4 Mr/Hr of water tracer @ 1 meter, how much will we read at 2 meters?
 - a. 2 Mr/Hr

1 Mr/Hr

- c. 0.5 Mr/Hr
- d. 3 Mr/Hr
- 10. The factor used to compare the biological effectiveness of absorbed radiation doses due to different types of ionizing radiation is called WHAT?
 - a. Roentgen
 - b. Rad
 - c. Rem
 - A. RBE



1210 33rd Street, BAKERSFIELD, CALIFORNIA 93301 - P 661.327.4776 - F 661.327.3799

	TRAINING S	IGN IN SHEET			
DATE: SUBJECT:	08/07/2020 R/A SHIPPING PAPERS			1:00 PM	
					- 1
TYPE OF TRAINING:	LECTURE LITERATURE	POWERPOINT	VIDEO	[ANDS-O	v 🔲
INSTRUCTOR:		Brandon Cesenas			
I AM ATTESTING BY MY SIGNA DISCUSSED AND ANY QUESTIC	ATURE THAT I ATTENDED THE FOLLOWING SAFET ONS WERE ANSWERED. I AM REPORTING IF I HA	TY MEETING ON THIS DATE, AN VE HAD AN ACCIDENT/INCIDEN	D THE MATERIA IT OR NEAR MIS	L NOTED ABOVE S AT WORK.	WAS READ,
NAME	SIGNATURE			E HAD (PLEASE	CIRCLE)
CREW A	,	ACCIDENT Y N	INCIDENT Y N	Y N	DIÓ MOT ALTEM
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BRANDON CESENAS		Y (D)	Y	YN	
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JASON WOODS	Marcal Statesta	7 Y N	Y N	YN	
KEITH HECK	1/1/20 /2	YN	Y (N	Y N	
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ALEX MORENO		YN	YN	Y N	
RAUL RUMBO		YN	YN	YN	
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JOSEPH GARCIA	Joseph &	Y	Y	Y (7)	
THOMAS MYERS		YN	Y N	ÝN	
RANDY LEONARD	M 2	O Y 92	Y 🐠	Y (N)	

Example

Production Data, Inc. 1210 33rd Street Bakersfield, CA 93301

661-327-4776

600 Mbg or more = FR LESS HON 600 MBG = X

SHIPPING PAPERS

Quantity	1.D. N.o	PROPER SHIPPING NAME	TYPE	FORM	HAZARD CLASS		RADIONUCLIDE	ACTIVITY (Bq)	CATEGORY	TRANSPORT INDEX
2	UN2915	RADIOACTIVE MATERIALS	TYPEA	NORMAL (LigNal)	7	RQ	IODINE 131	660MB	Y-II	0.6
1	UN2915	RADIOACTIVE MATERIALS	_	MANAGOIA	7	x	KRYPTON 85	2566 Bg	X-11	0.8
	UN2915	RADIOACTIVE MATERIALS	TYPEA	NORMAL (GAS)	7	Х	XENON 133	0	Y-II	

24 HOUR EMERGENCY NUMBER 661-619-3673

TYPE METER PUG-1AB

SERIAL No. 388(0)

DATE CALIBRATED 4-10-2020

CONVERT FROM-----TO-----MULTIPLY BY

Curies (Ci)

becquerels (Bq)

3.7x10

millicuries (mCi)

megabecquerals (MBq)

37

microcuries (uCi)

megabecquerals (MBq)

0.037

RIA SURVEY BEFORE OPERATIONS

AREA WHERE WORK WILL BE PERFORMED:

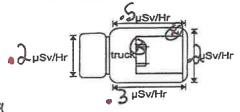
.02 mrltr (.2 5v/tr

VEHICLE RADIATION SURVEY

1. Indicate each source location with an "X".

Measure and record radiation level at front, rear. Both sides and driver's cab.

3. Keep this report on this vehicle duri the transportation of radioactive mater

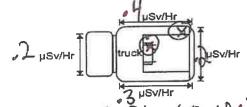


Factor for Calculating GBg=

0.2 Mr/Hr (.2 w/Hr AREA WHERE WORK WAS PERFORMED:

(.2 usu / fr) Hands and CLOTHING 02 Mr/Hr (.2 5) THYROID CHECK DZ Mr/H

NOTE EXACT LOCATION OF ANY SIGNIFICANT CONTAMINATION: NONE VEHICLE RADIATION SURVEY AT DAYS END



60 MBa AMOUNT OF TRACER USED ON JOB. AMOUNT OF TRACER RETURNED TO STORAGE AREA IN 131 (000 MG

I-131 DECAY

		الريا سيا الساء بكر الهديث	2 4	
DAYS DECAY	READING @ 1 METER IN MR/HR IN PLASTIC BOTTLE NO LEAD	READING @ 1 METER IN	STARTING AMOUNT IN	STARTING AMOUNT IN mCI
STARTING DAY	4	0.8	740	20.0
1	3.8	0.74	679	18.4
2	3.4	0.67	622	16.8
3	3.1	0.62	571	15.4
4	2.9	0.57	523	14.1
5	2.6	0.52	480	13.0
6	2.4	0.48	440	11.9
7	2.2	0.44	· 404	10.9
8	. 2	0.4	370	10.0
9	1.9	0.37	340	9.2
10	1.7	0.34	312	8.4
11	1.6	0.31	286	7.7
12	1.4	0.29	262	7.1
13	1.3	0.26	240	6.5
14	1.2	0.24	220	5.9
15	1.1	0.22	202	5.5
16	1	0.2	186	5.0
17	0.9	0.18	170	4.6
18	0.85	0.17	156	4.2
19	0.8	0.16	143	3.9
- 20	0.7	0.14	131	3.5
21	0.65	0.13	131	3.2
22	0.6	0.12	110	3.0
23	0.55	0,11	101	2.7
24	0.5	0.1	93	2.5
25	0.46	0.09	85	2.3
26	0.43	0.08	78	2.1

ATTACHMENT E





October 29, 2021

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6)

Murphy Drill Site, 2126 W. Adams Blvd.

Dear Ms. Mailian,

Following Redeemer Community Partnership's October 15, 2021, correspondence and in response to a request from the Office of Zoning Administration, you will find enclosed a log of instances when E&B Natural Resources (E&B) appears to have left the Murphy Drill Site unattended.

On Sunday, May 16, 2021, residents observed E&B's night watch leave the drill site at 10:18pm. Immediately, red lights began to flash. He returned to the drill site at 10:40pm and extinguished the flashing red lights. I called the Murphy Drill Site at 10:41pm to ask what the flashing red lights indicated. The night watch informed me that he had not seen the lights flashing because he had been in the well cellar. Later in the conversation he mentioned that the lights started flashing because he had forgotten to hit the gate by-pass, a tacit admission that he had left the drill site. He confirmed that the drill site is staffed by one person at night.

Residents then began tracking nighttime departures from the drill site in June 2021. You will no doubt appreciate that collecting this information is both time-consuming and tedious, one that residents cannot carry out 24/7. Therefore, this chronological log is not comprehensive. However, it is representative of a serious and on-going breach of safety protocols.

This dangerous practice continues despite Redeemer Community Partnership directly informing E&B Natural Resources' senior vice president, Louis Zylstra, that his staff was leaving the drill

site unattended. This occurred at the October 6, 2021, United Neighborhoods Neighborhood Council Planning and Zoning Committee's public meeting to consider E&B's PA6 application. Mr. Zylstra responded to the presentation of photos stating, "People don't leave the site. That site is covered 24 hours."

Notwithstanding Mr. Zylstra's public denials, residents had hoped these safety breaches would end following this public exchange. They have not.

Last Sunday, October 24, 2021, E&B left the drill site unattended three times for a total of 164 minutes. E&B's night watch was observed once again returning to the drill site with electric scooters in the bed of his pickup truck, apparently to charge before leaving later during his shift to redistribute them across the city (Photo 1).

Enclosed you will also find a representative sample of photos documenting the array of E&B staff vehicles leaving and/or returning to the drill site after dark. The photos show that this practice is pervasive and, apparently, condoned by E&B's senior management despite their public and regulatory assertions to the contrary.

E&B continues to show the City who they are. We have a duty to believe them.

Please let me know if you have any questions or need additional information. Thank you for your careful consideration of this matter.

Kind regards,

Richard Parks

President

cc: Lisa Webber, Deputy Director, <u>lisa.webber@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>

ahnd Somber

E&B Murphy Drill Site Night Staff Departures & Returns

Date	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure
2021-10-24	Sunday	Silver Truck	4:38 PM	7:42 PM 10:45 PM 1:31 AM	9:13 PM 11:04 PM 2:25 AM	91 min 19 min <u>54 min</u> Total: 164 min	5:02 AM
2021-10-23	Saturday	Silver SUV	4:44 PM	9:02 PM	9:17 PM	15 min	5:06 AM
2021-10-22	Friday	Silver SUV	4:50 PM	6:33 PM	7:00 PM	27 mln	5:12 AM
2021-10-21	Thursday	Silver SUV	5:04 PM	8:44 PM	9:23 PM	39 min	4:49 AN
2021-10-19	Tuesday	Silver SUV	4:53 PM	6:53 PM 9:24 PM	7:20 PM 9:41 PM	27 min <u>17 min</u> Total: 44 min	
2021-10-18	Monday	Silver SUV	4:39 PM	6:53 PM	7:08 PM	15 min	
2021-10-08	Friday	Silver Sedan	4:46 PM	6:36 PM	6:53 PM	17 min	
2021-10-07	Thursday	Silver Sedan	4:26 PM	6:34 PM 6:47 PM	6:46 PM 6:59 PM	12 min <u>12 min</u> Total: 24 min	
nattended at t	he United Neigh	1 Redeemer Commu borhoods Neighborh is Zylstra, was prese	nood Council's Plann				
nattended at t	he United Neigh	borhoods Neighborh	nood Council's Plann	ing and Zoning m 7:52 PM	9:05 PM	ral Resources' Se	enior Vice
nattended at t resident for th 2021-10-03	he United Neigh e LA Basin, Lou	nborhoods Neighborh is Zylstra, was prese	nood Council's Plann	ing and Zoning m	neeting. E&B Natu	ral Resources' Se	enior Vice
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nattended at tresident for the 2021-10-03	he United Neigh e LA Basin, Lou Sunday	borhoods Neighborh is Zylstra, was prese Silver Truck	nood Council's Plann	7:52 PM 10:13 PM 2:36 AM	9:05 PM 11:31 PM 3:11 AM	73 min 78 min 35 min Total: 186 min 84 min 50 min	nior Vice 5:18 AM
esident for the 2021-10-03	he United Neigh e LA Basin, Lou Sunday Saturday	Silver Truck Silver Truck	nood Council's Plann nt.	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM	73 min 78 min 35 min Total: 186 min 84 min 50 min Total: 134 min	5:18 AM
2021-10-02 2021-09-28	he United Neigh e LA Basin, Lou Sunday Saturday Tuesday	Silver Truck Silver Truck	nood Council's Plann nt. 4:30 PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM	73 min 78 min 35 min Total: 186 min 84 min 50 min Total: 134 min 18 min 72 min 18 min	5:18 AM 5:08 AM 5:10 AM
2021-10-02 2021-09-28 2021-09-27	he United Neighe LA Basin, Lou Sunday Saturday Tuesday Monday	Silver Truck Silver Truck Silver Truck	4:30 PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM 9:14 PM 1:27 AM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM 1:45 AM	73 min 78 min 35 min 35 min Total: 186 min 84 min 50 min Total: 134 min 18 min 72 min 18 min Total: 90 min	5:18 AM 5:08 AM 5:10 AM
2021-10-02 2021-09-28 2021-09-27	he United Neighe LA Basin, Lou Sunday Saturday Tuesday Monday Saturday	Silver Truck Silver Truck Silver Truck Silver Truck Silver Truck Silver Truck	4:30 PM 4:42 PM 4:50: PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM 9:14 PM 1:27 AM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM 1:45 AM	73 min 78 min 35 min Total: 186 min 84 min 50 min Total: 134 min 18 min 72 min 18 min Total: 90 min 34 min	5:08 AM 5:10 AM 4:38 AM 5:03 AM
2021-10-02 2021-09-27 2021-09-25 2021-08-10	he United Neighe LA Basin, Lou Sunday Saturday Tuesday Monday Saturday Tuesday Tuesday	Silver Truck	4:30 PM 4:42 PM 4:50: PM 4:30 PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM 9:14 PM 1:27 AM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM 1:45 AM 9:40 PM 8:39 PM	73 min 78 min 35 min Total: 186 min 84 min 50 min Total: 134 min 18 min 72 min 18 min 72 min 18 min 72 min 34 min 34 min 27 min	5:18 AM 5:08 AM 5:10 AM

E&B Murphy Drill Site Night Staff Departures & Returns

Date	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure
2021-07-14	Wednesday	Silver Sedan	3:57 PM	9:40 PM	9:55 PM	15 min	5:35 AM
2021-07-06	Tuesday	Silver Truck	4:44 PM	9:19 PM	9:38 PM	19 min	5:15 AM
2021-07-03	Saturday	Green SUV	4:38 PM	6:53 PM 10:16 PM	7:23 PM 10:34 PM	30 min <u>18 min</u> Total: 48 min	4:55 AM
2021-07-02	Friday	Green SUV	4:45 PM	5:50 PM 9:13 PM	6:22 PM 9:39 PM	32 min <u>26 min</u> Total: 58 min	4:47 AM
2021-06-30	Wednesday	Silver Truck	4:47 PM	7:13 PM	7:29 PM	16 min	5:04 AM
2021-06-29	Tuesday	Silver Truck	4:43 PM	7:25 PM	7:44 PM	19 min	5:03 AM
2021-06-18	Friday	Green Truck		5:09 PM	5:19 PM	10 min	
2021-06-13	Sunday	Silver Truck	4:32 PM	9:03 PM	9:21 PM	18 min	
2021-06-12	Saturday	Silver Truck	4:46 PM	7:01 PM	7:19 PM	18 min	
2021-06-09	Wednesday	Green SUV	4:51 PM	8:55PM 9:11PM	9:10PM 9:27PM	15 min <u>16 min</u> Total: 31 min	

Photos



Photo 1: E&B's night watch returned to the Murphy Drill Site with a load of electric scooters in the bed of a small, gray pickup truck on Sunday, October 24, 2021 at 9:13pm. The driver approached the drill site from the north on Gramercy Pl., ran a red light on Adams Blvd., activated the gate remotely, and swiftly pulled in. He had been absent for 91 minutes.



Photo 2: E&B's night watch exited the Murphy Drill Site in a large, silver SUV on Saturday, October 23, 2021 at 9:02pm. The drill site gate is open.

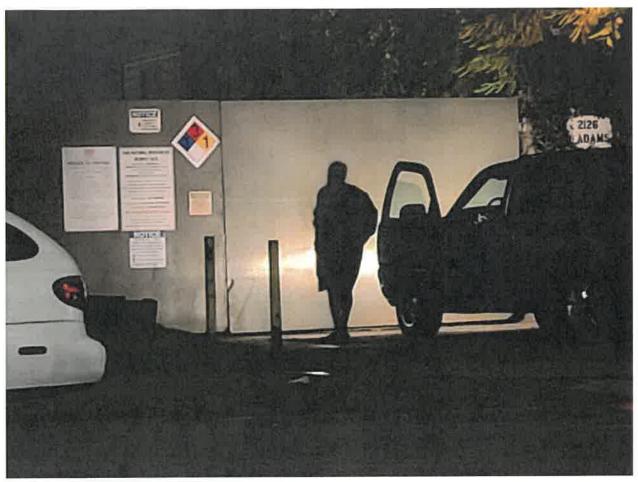


Photo 3: Following a 15-minute absence, E&B's night watch returned to the drill site on Saturday, October 23, 2021 at 9:17 p.m. He exited his vehicle to open the gate using a keypad located near the posted address.



Photo 4: E&B's night watch entered the drill site on Saturday, October 23, 2021, at 9:17pm.



Photo 5: E&B's night watchman returned to the drill site with a load of electric scooters on September 27, 2021 at 10:26pm following a 72-minute absence.

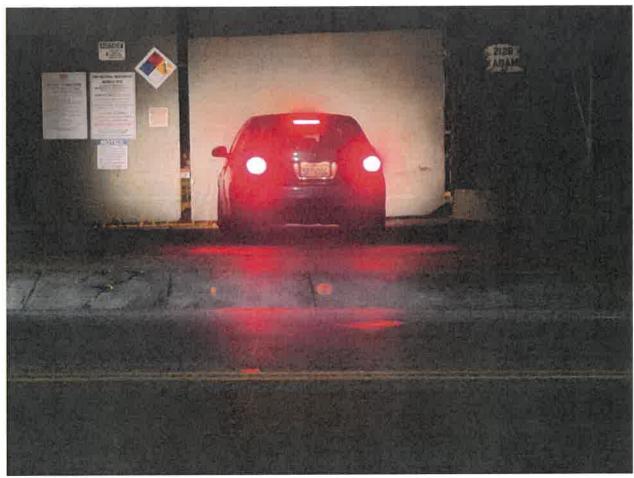
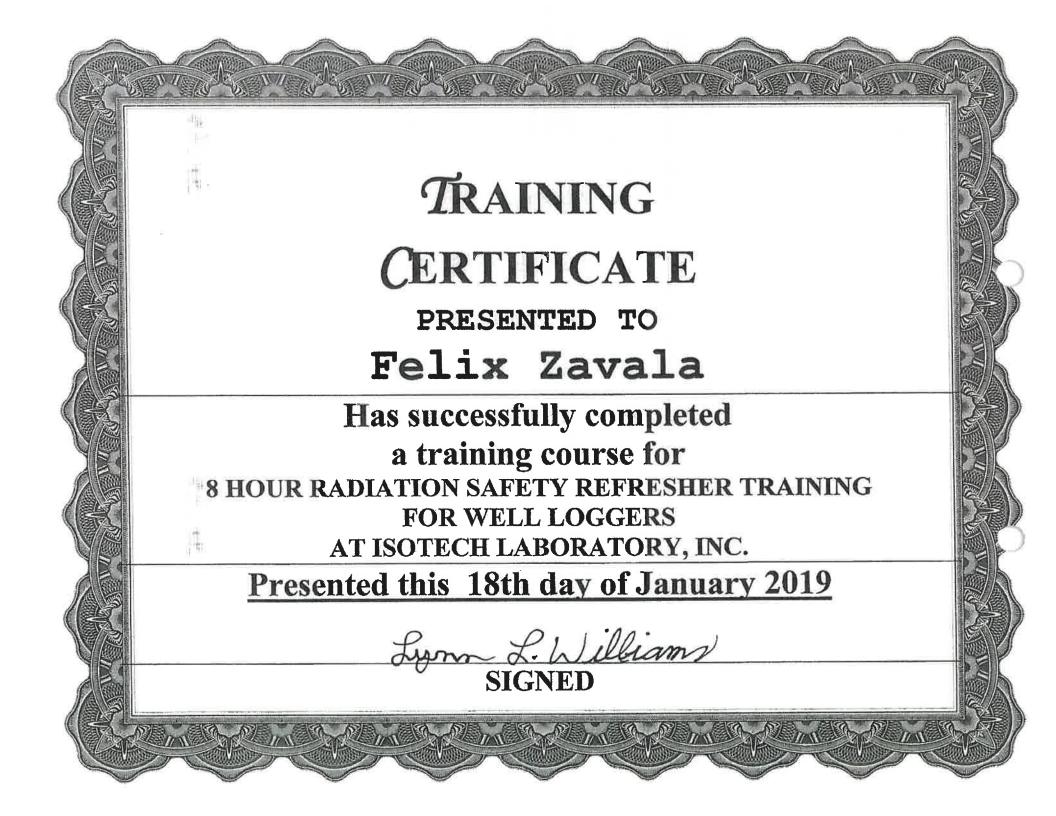


Photo 6: On June 19, 2021, E&B's night watch staff returned to the Murphy Drill Site at 10:32pm in a silver sedan.



Photo 7: E&B's night watch returned to the drill site in a green SUV on June 9, 2021, at 9:10pm.







MICROTEC SERVICES, INC.

Tel (713) 475-2274

110 Charles Street + Pasadena, TX. 77506 Fax (713) 475-2362

LEAK TESTING **CALIBRATIONS** REPAIR **NEW INSTRUMENTS**

*** CERTIFICATE OF CALIBRATION ***

CUSTOMER: PRODUCTION DATA

LOCATION: BAKERSFIELD, CA

*** DESCRIPTION OF INSTRUMENT ***

MAKE: BICRON

MODEL: SURVEYOR 50

S/N: A487A

DETECTOR: BICRON

SIGNATURE:

MODEL: SWGM BETA/GAMMA GM

S/N: A390A

DATE OF CALIBRATION: Oct 27, 2020

NEXT DUE DATE: Apr 27, 2021

DATE: Oct 27, 2020

INSTRUMENT RANGE	REFERENCE CAL. POINT (mR/hr)	METER READING (mR/hr)	% ERROR
X100	40	42.0	5.00
X100	10	11.0	10.00
X10	4	3.90	
X10	1	1.05	5.00
,X1	0.4	0.40	0.00
X1	0.1	.0.10	0.00

INPUT SENSITIVITY: m٧ DET. HIGH VOLTAGE: 906 V COMMENTS: CALIBRATED WITH DETECTOR PERPENDICULAR TO SOURCE BEAM. REPLACED BATTERY CHECK SOURCE READING: BAROMETRIC PRESSURE: 29.85 in Hg **RELATIVE HUMIDITY: 39%** TEMPERATURE: 70 °F CALIBRATED BY: Q. STOKLEY, SR. Q.A. TECHNICIAN

ENERGY CALIBRATED TO Cs-137 (662 keV), TECHOPS 773, S/N 135, TRACEABLE TO N.I.S.T. MICROTEC SERVICES, INC. CERTIFIES THE ABOVE NAMED INSTRUMENT HAS BEEN CALIBRATED IN ACCOURDANCE WITH 10 CFR, TITLE 25 TAC CHAPTER 289, ANSI/NCSL Z540-1-1994, AND/OR MANUFACTURERS SPECIFICATIONS.

TEXAS LICENSE NO. L04656

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
EXECUTIVE OFFICES

VINCENT P. BERTONI, AICP DIRECTOR

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SHANA M.M. BONSTIN DEPUTY DIRECTOR

ARTHI L. VARMA, AICP DEPUTY DIRECTOR LISA M. WEBBER, AICP

DEPUTY DIRECTOR

planning.lacity.org

July 28, 2021

E & B Natural Resources (Op) 1608 Norris Road Bakersfield, CA 93308 Attention: Ted Cordova CASE NO. ZA-15227-O-PA4
LETTER OF COMMUNICATION
2126 West Adams Boulevard
South Los Angeles Community Plan

Zone: [Q] R4-1-O-HPOZ

D.M.: 123B193

C.D: 10 -- Ridley-Thomas

Legal Description: Lot A, P M 1641

Mr. Cordova,

The Department of City Planning was informed of work activities that occurred on May 27 and May 28, 2021 at 2126 West Adams Boulevard (commonly known as the Murphy Drill Site). The Department requests that you provide an explanation of the scope of work that occurred on May 27 through May 28, 2021.

Recent Activities at the Drill Site

The Department of City Planning was provided with photographic evidence and testimony that allegedly depict substantial oil extraction, maintenance, and/or production occurring at the Murphy Drill Site starting on May 27, 2021. The photographic evidence shows workers, heavy machinery, and large tanker trucks present at the subject property.

The Department is concerned that the activity conducted at the site may qualify as well maintenance and could potentially be a violation of LAMC Section 13.01-H as illustrated here:

H. Drilling Site Requirements. Any person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance, or to drill or deepen and subsequently maintain an oil well in the M3 Zone within 500 feet of a more restrictive zone shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted. (Para. Amended by Ord. No. 173,492, Eff. 10/10/00.)

Instructions to Drill Site Operator

The Department requests that E&B Natural Resources provide a description of the work completed at the site on May 27 and May 28, 2021. This description shall include information regarding the following:

- Presence of large tanker trucks
- Permits secured for the scope of work
- Type of heavy machinery and equipment used
- Number of crew required for the scope of work
- Duration of the work activity, including times and dates of commencement and completion
- · Volume and type of materials and/or chemicals used
- Identification of all well(s) involved in this activity

The Department requests a response within 60 calendar days from when this letter is dated. If you have any questions regarding this matter, please contact the Office of Zoning Administration. Initial communication should be directed to Edber Macedo at (213) 978-1198 or at edber.macedo@lacity.org.

ESTINEH MAILIAN
Chief Zoning Administrator

EM:VS:ecm

Cc: Councilmember Ridley-Thomas, Tenth Council District
Jennifer Tobkin, Office of the City Attorney
Captain Diana Igawa, Los Angeles Fire Department
Osama Younan, Los Angeles Department of Building and Safety
Erica Blyther, Office of Petroleum and Natural Gas Administration and Safety
Roman Catholic Archdiocese of Los Angeles, Property Owner
Richard Parks, Redeemer Community Partnership

Attachments: ZA-15227-O-PA4 determination, dated 09/14/2007

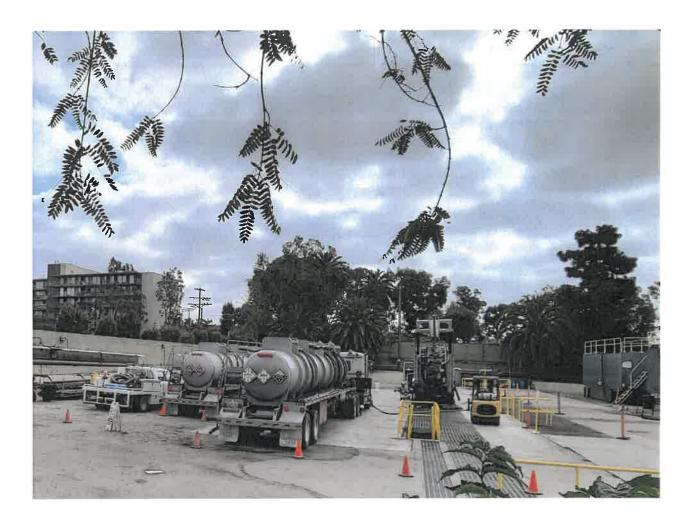
Photographic Evidence Submitted to City Planning for May 27-28, 2021 Oil Well Activity

Attachment 1: Photographic Evidence of Activity at Murphy Drill Site, 5/21-5/28, 2021



T - 1-F

Attachment 1: Photographic Evidence of Activity at Murphy Drill Site, 5/2,-5/28, 2021



Attachment 1: Photographic Evidence of Activity at Murphy Drill Site, 5/27-5/28, 2021



2126 West Adams Boulevard Los Angeles, California

January 17, 2022

To:

Mrs. Estineh Mailian, Chief Zoning Administrator, Department of City Planning 200 North Spring Street, Room 763 Los Angeles, CA 90012

From: Mr. Louis P. Zylstra, Jr. PE

E&B Natural Resources Management Corp.

249 East Ocean Blvd., Suite 900

Long Beach, CA 90802

Ref: Case No. ZA 15227(O)(PA6) "Letter of Communication" dated December 22, 2021 from The Department of City Planning.

Dear Mrs. Mailian,

Thank you for your Letter of Communication dated December 22, 2021. E&B Natural Resources appreciates the opportunity to provide additional information and further clarifications as requested by the Department of City Planning. Specifically, it is our understanding that the Department, per the letter's "Instructions to Drill Site Operator," is requesting an explanation on the three outlined subjects in your letter.

Background

The Murphy site has been operating safely for decades. E&B Natural Resources took over as operator of the site in October 2019. The site has regular inspections from CalGEM, South Coast Air Quality Management District (SCAQMD), LA Fire, CUPA and others as well as an Annual Landscape review with representatives from the local neighborhood council (UNNC) and Council District 10. We believe the site is in good standing with all the regulatory agencies. The site was last inspected July 2021 by the state oil and gas regulating agency, CalGEM, and no issues were identified. The site was inspected in December 2021 by South Coast Air Quality



2126 West Adams Boulevard Los Angeles, California

Management District and no issues were identified. When any agency notifies us of any corrective action, it is our protocol to correct any needed actions and return the site to compliance.

E&B recently filed a Plan Approval application with the Planning Department, and we look forward to a comprehensive review of the site's conditions and compliance with the Zoning Administrator. We are volunteering several good neighbor provisions / conditions that we believe are good additions including air monitoring (already implemented) and an annual inspection protocol.

Per the Planning Department's request, the following is additional information:

South Coast Air Quality Management District - Odor Mitigation Compliance

In accordance with the rules of South Coast Air Quality Management district, we purchased and installed an aromatic diffuser system for potential odor mitigation. We've specifically worked with SCAQMD to put a procedure in place for any future well servicing work (neutralize potential diesel odor). In 2022, we may anticipate using the system a couple of days per month. We use a safe, non-toxic and 100% biodegradable counteractant called Odor Control Jasmine.

Please see Attachment A for the Safety Data Sheet and Product Label.

<u>Tracer Surveys are required under California Code, 14 CA Code of Regs 1724.10.2 – Mechanical Integrity Testing Part Two</u>

Tracer Surveys on an injection well are a common, best practice in the industry and have been used in the industry safely for decades. The testing method is used to demonstrate that there is no fluid migration behind the casing, tubing, or packer. It is important to note that this type of testing is required by the State of California. Every two years, the state of California requires



2126 West Adams Boulevard Los Angeles, California

operators to run a radioactive tracer survey on their injection wells and report the results to the California Geologic Energy Management Division (CalGEM). The radioactive material, lodine 131, can be used safely and the injection wells and monitoring and testing of those wells are within the jurisdiction of the United States Environmental Protection Agency (EPA), CalGEM and complies with the California Department of Health Services regulations in Title 17, Division 1, Chapter 5, Subchapter 4 of the California Code of Regulations. For example, this material is commonly used at hospitals for treatment and imaging solutions. Operators must also notify CalGEM of the survey in advance so that a CalGEM inspector can witness the test. To run this survey, it typically takes 1 day that involves a small team of a couple of people and 1 small truck (1 truck trip). We use a qualified, certified third-party service firm, Production Data Inc (PDI), to perform the testing. There are no special permits required with CalGEM nor SCAQMD.

At Murphy, there are 8 injection wells that fall under this California requirement. The wells are M-2, M-9, M-10, M-20, M-25, M-27, M-30 and M-37.

Referencing the City's Attachment, A – Tuesday March 23, 2021:

1 2 1 7

"I hope that this additional information will satisfy you and your staff that they were not in danger of being exposed to radioactive materials during the well logging operations next door to your facility." – Kathleen Harkness, Associate Health Physicist. Radiologic Health Branch, California Department of Public Health

If the City would like to witness an upcoming tracer survey, let us know. We would welcome to have you (or staff member) on-site in the future.

- T

E&B contracts with third party vendors who are trained, well qualified, certified or have the expertise to perform the duties of a particular scope of work at the Murphy site. E&B has been in the business for decades and has well established relationships with experts in their



2126 West Adams Boulevard Los Angeles, California

respective fields. To become a vendor of E&B, companies must demonstrate expertise, training in safety, qualifications, financial stability, insurance, compliance and strong references and those vendors get reviewed every year.

Staff is dedicated to maintaining safe, compliance, and optimal performance of site

At the Murphy site, there are typically 1 or more personnel at the site to oversee the day-to-day operations. We have 2 shifts (a day shift and a night sift), each 12 hours per shift. The duties and responsibilities of a "lease" operator (day or night) include daily inspections of the operations, wells, equipment, and the facility. They are well trained in monitoring and maintaining equipment, compliance, safety, and our company's protocols including multiple daily reporting responsibilities.

It is important to note that while we have a lease operator working over the course of any given 24-hour period, it is not a legal requirement, regulatory requirement nor a condition of the zoning approvals to have 24-hour coverage.

During our due diligence phase and prior to acquisition, we believed that the Murphy site could benefit from two shifts, which gives the site additional oversight, and we made that decision to implement that greater shift schedule. We have similar working coverage at two other sites in Los Angeles that are of similar size and operation. In addition to two shifts at the Murphy site, the site has multiple redundancies and safeguards in place such as fence-line air monitoring with alarm protocols, multiple alarm systems for the site and equipment, 24 hour answering service and well-regulated and approved safety and emergency and response plans. We'd be happy to further discussion give you a tour of the site at any time.

We appreciate the opportunity to partner with the City, its departments, and its staff in working together. We also appreciate the partnerships we have with the community. We look

E& Natural Resources Management Company

2126 West Adams Boulevard Los Angeles, California

forward to our future discussions at our upcoming hearing and in the meantime, please do not hesitate to call upon us for more information.

Sincerely,

Louis P. Zylstra, Jr. PE

Senior Vice President – LA Basin

E&B Natural Resources

Izylstra@ebresources.com

714.968.4770



2126 West Adams Boulevard Los Angeles, California

ATTACHMENT A

1. Enclosed Safety Data Sheet and Product Label





Safety Data Sheet

SECTION 1: Identification of the substance/mixture and of the company/undertaking

Product identifier

Product form : Mixture

Product name : Odor Control Jasmine

: 11432 Product code

1.2. Relevant identified uses of the substance or mixture and uses advised against

Use of the substance/mixture : Odor Counteractant

Details of the supplier of the safety data sheet 1.3.

Chemco Products 6401 E. Alondra Blvd. Paramount, CA 90723 - USA T 866-243-6261 - F 562-602-2811 http://www.chemcoprod.com

Emergency telephone number

: CHEMTEL: 800-255-3924 Emergency number

SECTION 2: Hazards identification

Classification of the substance or mixture

GHS US classification

Flam. Liq. 3 H226 H319 Eye Irrit, 2A

Full text of H statements: see section 16

Label elements

GHS US labeling

Hazard pictograms





GHS02

GHS07

Signal word ; Warning

Hazard statements ; Flammable liquid and vapor.

Causes serious eye irritation.

Precautionary statements Keep away from heat, hot surfaces, sparks, open flames and other ignition sources. No

smoking heat, hot surfaces, open flames, sparks.

Keep container tightly closed.

Ground/Bond container and receiving equipment.

Use explosion-proof electrical, lighting, ventilating equipment.

Use only non-sparking tools.

Take precautionary measures against static discharge. Wash hands and forearms thoroughly after handling.

Wear eye protection, protective gloves.

IF ON SKIN (or hair): Take off immediately all contaminated clothing. Rinse skin with

IF IN EYES: Rinse cautiously with water for several minutes. Remove contact lenses, if present

and easy to do. Continue rinsing.

If eye irritation persists: Get medical advice/attention.

In case of fire: Use alcohol resistant foam, BC-powder, carbon dioxide (CO2), dry chemical,

sand to extinguish.

Store in a well-ventilated place. Keep cool.

THE RESERVE THE PARTY OF T Dispose of contents/container in accordance with Local, State, and Federal regulations.

Hazard not otherwise classified (HNOC)

No additional information available

Page 1 of 7 Product Code:11432 EN (English US)

Safety Data Sheet

2.4. Unknown acute toxicity (GHS US)

No data available

SECTION 3: Composition/Information on ingredients

3.1. Substances

Not applicable.

(NOTE: If component displays the * (asterisk) symbol, the following statement applies.)

*Chemical name, CAS number and/or exact concentration have been withheld as a trade secret.

Full text of H-phrases; see section 16

3.2. Mixture

Name	Product identifier	%	GHS US classification
2-propanol	(CAS-No.) 67-63-0	1 - 5	Flam. Liq. 2, H225 Eye Irrit. 2A, H319 STOT SE 3, H336
4-nonylphenol, branched, ethoxylated	(CAS-No.) 127087-87-0	1 - 5	Skin Irrit. 2, H315 Eye Dam. 1, H318

(NOTE: If component displays the * (asterisk) symbol, the following statement applies.)

*Chemical name, CAS number and/or exact concentration have been withheld as a trade secret.

SECTION 4: First aid measures

4.1. Description of first aid measures

First-aid measures general

- Never give anything by mouth to an unconscious person. If you feel unwell, seek medical
- advice (show the label where possible).

First-aid measures after inhalation

- If breathing is difficult, remove victim to fresh air and keep at rest in a position comfortable for breathing. If you feel unwell, seek medical advice.
- If skin irritation or rash occurs: Wash with plenty of soap and water. Wash contaminated

First-aid measures after skin contact
First-aid measures after eye contact

- clothing before reuse. If skin irritation persists, get medical attention.
- : IF IN EYES: Rinse cautiously with water for several minutes. Remove contact lenses, if present and easy to do. Continue rinsing. If eye irritation persists: Get medical advice/attention.

First-aid measures after ingestion : Rinse mouth. Do NOT induce vomiting. Obtain emergency medical attention.

4.2. Most important symptoms and effects, both acute and delayed

Symptoms/effects

- Not expected to present a significant hazard under anticipated conditions of normal use. If you
- Symptoms/effects after skin contact
- feel unwell, seek medical advice.

 Contact during a long period may cause slight irritation. Repeated exposure may cause skin
- dryness or cracking.
- Symptoms/effects after eye contact
- Causes serious eye irritation.
- Symptoms/effects after ingestion
- FOLLOWING SYMPTOMS MAY APPEAR LATER: Gastrointestinal complaints. Irritation of the gastric/intestinal mucosa. Irritation of the oral mucous membranes. Nausea.

4.3. Indication of any immediate medical attention and special treatment needed

No additional information available.

SECTION 5: Firefighting measures

5.1. Extinguishing media

Suitable extinguishing media

: Alcohol-resistant foam, BC powder, Carbon dioxide. Dry chemical powder, Sand/earth.

5.2. Special hazards arising from the substance or mixture

Reactivity

: Reacts with (strong) reducers. Reacts with (strong) oxidizers.

5.3. Advice for firefighters

Firefighting instructions

Use water spray or fog for cooling exposed containers. Exercise caution when fighting any chemical fire. Prevent fire-fighting water from entering environment.

Protection during firefighting

Do not enter fire area without proper protective equipment, including respiratory protection.

Other information

Although product has a flash point <200° F, it is an aqueous solution and does not sustain combustion.

SECTION 6: Accidental release measures

6.1. Personal precautions, protective equipment and emergency procedures

General measures

Keep away from heat, hot surfaces, sparks, open flames and other ignition sources. No smoking. Isolate from fire, if possible, without unnecessary risk. Use special care to avoid static electric charges.

Product Code: 11432 EN (English US) Page 2 of 7

Safety Data Sheet

6.1.1. For non-emergency personnel

Protective equipment

Protective goggles.

Protective gloves.

Emergency procedures

Evacuate unnecessary personnel.

For emergency responders 6.1.2.

Protective equipment

: Equip cleanup crew with proper protection.

Emergency procedures

: Ventilate area.

Environmental precautions

Prevent entry to sewers and public waters. Notify authorities if liquid enters sewers or public waters.

Methods and material for containment and cleaning up

For containment

: Contain released product, pump into suitable containers. Plug the leak, cut off the supply.

Dilute combustible/toxic gases/vapors with water spray.

Methods for cleaning up

Soak up spills with inert solids, such as clay or diatomaceous earth as soon as possible. Collect

spillage. Store away from other materials. Wash down leftovers with plenty of water. Wash clothing and equipment after handling.

Reference to other sections

No additional information available.

SECTION 7: Handling and storage

Precautions for safe handling

Precautions for safe handling

Do not get in eyes, on skin, or on clothing. Do not breathe mist, vapors. Ensure good ventilation of the work station. Keep away from heat, hot surfaces, sparks, open flames and other ignition sources. No smoking. Observe normal hygiene standards. Provide good ventilation in process area to prevent formation of vapor. Take precautionary measures against static discharge. Use only outdoors or in a well-ventilated area. Use personal protective equipment as required.

Hygiene measures

Do not eat, drink or smoke when using this product. Wash contaminated clothing before reuse. Wash hands and forearms thoroughly after handling. Wash hands and other exposed areas with mild soap and water before eating, drinking or smoking and when leaving work.

Conditions for safe storage, including any incompatibilities

Technical measures

Provide local exhaust or general room ventilation. Take precautionary measures against static

discharge. Comply with applicable regulations.

Incompatible products

: Reducing agents. Oxidizing agent.

Storage area

: Store in a cool, dry well-ventilated area. Keep container tightly closed when not in use.

SECTION 8: Exposure controls/personal protection

8.1. **Control parameters**

2-propanol (67-63-	-0)		
ACGIH	ACGIH TWA (ppm)	200 ppm	
ACGIH	ACGIH STEL (ppm)	200 ppm	
OSHA	OSHA PEL (TWA) (mg/m³)	980 mg/m³	
OSHA	OSHA PEL (TWA) (ppm)	400 ppm	
OSHA	OSHA PEL (STEL) (mg/m³)	1225 mg/m³	
OSHA	OSHA PEL (STEL) (ppm)	500 ppm	

Exposure controls

Personal protective equipment

: Avoid all unnecessary exposure.

Hand protection

: Wear protective gloves.

Eye protection

: Chemical goggles or safety glasses.

Skin and body protection

Wear suitable protective clothing.

Respiratory protection

Product Code:11432

Where exposure through inhalation may occur from use, respiratory protection equipment is recommended. In case of insufficient ventilation, wear suitable respiratory equipment.

Appropriate engineering controls

: Handle in accordance with good industrial hygiene and safety practice. Wash hands before

breaks and at the end of workday.

EN (English US) Page 3 of 7

Safety Data Sheet

SECTION 9: Physical and chemical properties

9.1. Information on basic physical and chemical properties

Odor threshold : No data available

pH : 7.1 - 8.1

Melting point

No data available
Freezing point

No data available

Boiling point 204 °F Flash point : > 130 °F

Relative evaporation rate (butyl acetate=1) : No data available
Flammability (solid, gas) : No data available
Explosion limits : No data available
Vapor pressure : 9.4 mm Hg @ 70 F
Vapor density : No data available

Specific Gravity @ 77° F : 0.988 - 1.008

Solubility : Soluble in water

Partition Coefficient n-Octanol-Water : No data available

Auto-ignition temperature : No data available

Decomposition temperature : No data available

Viscosity : No data available

9.2. Other information

VOC content : < 60 g/l CARB VOC

SECTION 10: Stability and reactivity

10.1. Reactivity

Reacts with (strong) reducers. Reacts with (strong) oxidizers.

10.2. Chemical stability

Stable under normal conditions.

10.3. Possibility of hazardous reactions

Not established.

10.4. Conditions to avoid

Extremely high or low temperatures. Heat. Open flame. Sparks.

10.5. Incompatible materials

Oxidizers. Reducing agents.

10.6. Hazardous decomposition products

Carbon monoxide. Carbon dioxide.

SECTION 11: Toxicological information

11.1. Information on toxicological effects

Acute toxicity : Not classified

2-propanol (67-63-0)		
LD50 oral rat 5045 mg/kg (Rat; OECD 401: Acute Oral Toxicity; Experimental value; 5840 bodyweight; Rat)		
LD50 dermal rabbit	12870 mg/kg (Rabbit; Experimental value; Equivalent or similar to OECD 402; 16.4; Rabbit)	
LC50 inhalation rat (mg/l)	73 mg/l/4h (Rat)	
ATE US (oral)	5045 mg/kg body weight	
ATE US (dermal)	12870 mg/kg body weight	
ATE US (vapors)	73 mg/l/4h	
ATE US (dust, mist)	73 mg/l/4h	

 Product Code: 11432
 EN (English US)
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Safety Data Sheet

87-87-0)
16000 mg/kg (Rat)
4490 mg/kg (Rabbit)
16000 mg/kg body weight
4490 mg/kg body weight

Skin corrosion/irritation Not classified pH: 7.1 - 8.1

Serious eye damage/irritation Causes serious eye irritation.

pH: 7.1 - 8.1 Not classified Not classified

Germ cell mutagenicity Not classified Carcinogenicity : Not classified

2-propanol (67-63-0)

Respiratory or skin sensitization

IARC group 3 - Not classifiable

Reproductive toxicity

Specific target organ toxicity – single exposure

: Not classified
: Not classified

Specific target organ toxicity -- repeated exposure

: Not classified

Aspiration hazard Not classified

Symptoms/effects after skin contact : Contact during a long period may cause slight irritation. Repeated exposure may cause skin

dryness or cracking.

Symptoms/effects after eye contact : Causes serious eye irritation.

Symptoms/effects after ingestion : FOLLOWING SYMPTOMS MAY APPEAR LATER: Gastrointestinal complaints. Irritation of the

gastric/intestinal mucosa. Irritation of the oral mucous membranes. Nausea.

SECTION 12: Ecological information

12.1. Toxicity

2-propanol (67-63-0)		
LC50 fish 1	4200 mg/l (96 h; Rasbora heteromorpha; Flow-through system)	
EC50 Daphnia 1	> 10000 mg/l (48 h; Daphnia magna)	
LC50 fish 2	9640 mg/l (96 h; Pimephales promelas; Lethal)	
EC50 Daphnia 2	13299 mg/l (48 h; Daphnia magna)	
Threshold limit algae 1	> 1000 mg/l (72 h; Scenedesmus subspicatus; Growth rate)	
Threshold limit algae 2	1800 mg/l (72 h; Algae; Cell numbers)	

12.2. Persistence and degradability

2-propanol (67-63-0)		
Persistence and degradability	Readily biodegradable in water. Biodegradable in the soil. Biodegradable in the soil under anaerobic conditions. No (test)data on mobility of the substance available.	
Biochemical oxygen demand (BOD)	1.19 g O ₂ /g substance	
Chemical oxygen demand (COD)	2.23 g O ₂ /g substance	
ThOD	2.4 g O ₂ /g substance	
BOD (% of ThOD)	0.49 % ThOD	
4-nonylphenol, branched, ethoxylated (127087-87-0)		
Persistence and degradability	Biodegradable in water. No (test)data on mobility of the substance available.	

12.3. Bioaccumulative potential

2-propanol (67-63-0)		
Log Pow	0.05 (Experimental value)	
Bioaccumulative potential	Low potential for bioaccumulation (Log Kow < 4).	
4-nonylphenol, branched, ethoxylat	ed (127087-87-0)	
Bioaccumulative potential	Low potential for bioaccumulation (molecular mass >=700 g/mol).	

12.4. Other adverse effects

No additional information available.

Product Code:11432 EN (English US) Page 5 of 7

Safety Data Sheet

SECTION 13: Disposal considerations

Waste treatment methods

: Dispose of contents/container in accordance with Local, State, and Federal regulations. Product/Packaging disposal recommendations

Avoid release to the environment. Ecology - waste materials

SECTION 14: Transport information

14.1. **UN Number**

UN-No.(DOT)

Not Regulated

Other information

Although product has a flash point <200° F, it is an aqueous solution and does not sustain

combustion.

14.2. UN proper shipping name

Proper Shipping Name (DOT)

: Not Regulated

SECTION 15: Regulatory information

15.1. US Federal regulations

All components of this product are listed, or excluded from listing, on the United States Environmental Protection Agency Toxic Substances Control Act (TSCA) inventory.

This product or mixture is not known to contain a toxic chemical or chemicals in excess of the applicable de minimis concentration as specified in 40 CFR §372.38(a) subject to the reporting requirements of section 313 of Title III of the Superfund Amendments and Reauthorization Act of 1986 and 40 CFR Part 372.

2-propanol (67-63-0)

Listed on the United States TSCA (Toxic Substances Control Act) inventory.

Listed on the Canadian DSL (Domestic Substances List).

SARA Section 311/312 Hazard Classes

Delayed (chronic) health hazard Immediate (acute) health hazard

Fire hazard

4-nonylphenol, branched, ethoxylated (127087-87-0)

Listed on the United States TSCA (Toxic Substances Control Act) inventory.

SARA Section 311/312 Hazard Classes Immediate (acute) health hazard

15.2. International regulations

CANADA

2-propanol (67-63-0)

Listed on the Canadian DSL (Domestic Substances List).

EU-Regulations

No additional information available.

Classification according to Regulation (EC) No. 1272/2008 [CLP]

Classification according to Directive 67/548/EEC [DSD] or 1999/45/EC [DPD]

Not classified

15.2.2. National regulations

15.3. US State regulations

Prop 65 Comments:

This product contains, or may contain, trace quantities of a substance(s) known to the state of California to cause cancer and/or reproductive toxicity.

1,4- Dioxane (CAS 123-91-1) < 0.1%

Ethylene oxide (CAS 75-21-8) < 1%

SECTION 16: Other information

Abbreviations Legend:

H225	Highly flammable liquid and vapor
H226	Flammable liquid and vapor

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Safety Data Sheet

H315	Causes skin irritation
H318	Causes serious eye damage
H319	Causes serious eye irritation
H336	May cause drowsiness or dizziness

Disclaimer

This document is generated for the purpose of distributing health, safety, and environmental data. The information and recommendations are presented in good faith and believed to be from reliable sources, however, the information is provided without any warranty, expressed or implied, regarding its completeness or eccuracy. Some information is from sources other than direct test data on the material itself. The conditions or methods of handling, storage, use and disposal of the product are beyond our control and for this and other reasons, we do not assume responsibility and expressly disclaim liability for loss, damage, or expense arising out of or in any way connected with handling, storage, use, or disposal of the product.

Revision date: 02/18/2020

Supersedes: 12/27/2019

Version: 1.4





Product Code:11432 EN (English US) Page 7 of 7

Complaint 32	0238	Run Date: 7/21/2021 10:26:12
Receive By: Assign By: Dispatch On: Team: Type:	RHERNAND on 3/19/2021 11:22:11 jliaw on 3/19/2021 11:57:24 3/19/2021 Z ODORS	Assignment No: 1893913 inspector: JARLATH GREANEY (JG04) Instruction:
Inspection Date Description:	3/19/2021 00:00:00 CHEMICAL ODOR IN THE AIR PLEASE CALL	
Instance Start Date		Instance End Date:
Complainant First Name:	4 - 1100	
Address:		11200
Phone:		
Alleged Source		- C - C - C - C - C - C - C - C - C - C
Name:	MURPHY OIL DRILL	
Address:	27TH AND ADAMS, LOS ANGELES, CA 90018	(Sector WG)
Actual Source		
Name: Address: Facility TS:	E&B NATURAL RESOURCES MANAGEMENT C 2126 W ADAMS BLVD, LOS ANGELES, CA 900 TS-15 Industrial: Crude Oil Production	
Disposition	OC on 4/9/2021 15:12:07	
Inspector Con	ament	
Site' (FID 19111) well servicing op necessary; I deter 1148.1. Rule 402	recent uptick in odor complaints alleging ode 9) located at 2126 West Adams Boulevard in erations that were ongoing at the Murphy Sit mined this operation to qualify as maintenan	ors from the E&B Natural Resources Management Corp's 'Murphy the city of Los Angeles. I confirmed the odor to be sourced at e. Well casing was being pulled up, inspected and replaced as ce and as such is exempted from certain provisions of Rule to 6 complaint threshold was not met. The servicing of the well is
3/19/21 1158 H Complainant call JG04	ours back, left voicemail requesting a return call	with additional details.
	ats: 320238, 320276 ates: 3/19/21, 3/24/21	
Report 3/19/21 1540 Ho	urs	
I arrived in the at the site. From ou	rea of the E&B 'Murphy Site' to investigate the tside the facility I could see a rig was present	e odor complaint. I observed an odor of crude oil downwind of . Odors were not detected upwind of the site.
I contacted a fact the site and accor	lity operator (323-816-1528) to initiate an in mpanied me through the facility.	spection of the site. The operator on duty, Ben, granted entry to
The Oil & Gas p also available). I	rocessing equipment was inspected for fugitive vapor leaks were observed and odors were	re emissions with a FLIR optical gas imaging camera (TVA was minimal around the equipment.
INSPECTOR:	ignature	DATE:
SUPERVISOR:	ignature	DATE:

User ID:

jgreaney

Complaint 320238

Run Date: 7/21/2021 10:26:12

Page 2 of 2

Odors were strongest around the rig, which I determined to be the source. No enforcement action was taken at the time of inspection.

3/24/21 1200 Hours

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance. Due to the potential for public nuisance from this ongoing operation, I requested that E&B Natural Resources provide any odor mitigation plan and monitoring data available as required by 1148.1(g)(3)(A).

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw 4/13/21

User ID:

jgreaney

INSPECTOR:	signature	DATE:	
SUPERVISOR:		DATE:	
	signature	-	

Complaint 32	0271	Run Date: 7/21/2021 10:27:31	
Receive By: Assign By: Dispatch On:	KARLYNZ on 3/22/2021 07:46:02 jgreaney on 3/23/2021 07:28:23 3/23/2021	Assignment No: 1894122 Inspector: JARLATH GREANEY (JG04) Instruction:	
Team: Type:	Z ODORS		
Inspection Date	3/24/2021 00:00:00		
Description:	VERY STRONG OIL SMELL @ 06:30.		
Instance Start Date		Instance End Date:	
Complainant			
First Name:	A STATE OF THE PARTY OF THE PAR		
Address: Phone:			
Alleged Source	e		
Name:	OIL DERRICK		
Address:	ADAMS & WESTERN, LOS ANGELES, CA 900	18 (Sector WG)	
Actual Source			
Name:	E&B NATURAL RESOURCES MANAGEMENT	CORP ID: 191119	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 900	018-2039 (Sector WG)	
Facility TS:	TS-15 Industrial: Crude Oil Production		
Disposition	OC on 4/9/2021 15:14:37		
Inspector Con	ment		
Site' (FID 191119 be sourced at wel replaced as neces Rule 1148.1. Rul	 P) located at 2126 West Adams Boulevard in I servicing operations that were ongoing at the sary; I determined this operation to qualify a 	ors from the E&B Natural Resources Management Corp's 'Murphy the city of Los Angeles. I confirmed a similarly described odor to be Murphy Site. Well casing was being pulled up, inspected and as maintenance and as such is exempted from certain provisions of ince the 6 complaint threshold was not met. The servicing of the	
at the time of my regarding health able to comment upwind of the alle	ours olainant. Odor was described as an "oil" odo call. The source was alleged to be the E&B effects for exposure to the odors during exerc	r that was observed from 0630-0830 hours. Odor was not ongoing Natural Resources 'Murphy Site.' Complainant expressed concern cise and for children. I informed the complainant that I was not d the 'windy.com' app for wind data so that they could find an area	
	ts: 320271, 320301 ttes: 3/19/21, 3/24/21		
Report 3/24/21 1200 hot	urs		
detected an odor		ement Corp 'Murphy Site' to investigate the odor complaints. I an intensity of 2/5, the odor was not detected when I moved y complainants.	
INSPECTOR: si	gnature	DATE:	
SUPERVISOR:		DATE:	
	gnature	DAIL.	

User ID:

jgreaney

Complaint 320271

Run Date: 7/21/2021 10:27:31

I observed a rig present at the Murphy Site, the rig was also present during a site inspection on 3/19/21. I had previously observed the same odor on 3/19/21 while at the site and determined the odor to be sourced at the rig operations, which have been ongoing for the past 2 weeks.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw 4/13/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
-	signature	
		

User ID: jgreaney

Page 2 of 2

	SCAQNID COI	-
Complaint 32		Run Date: 7/21/2021 10:27:02
Receive By: Assign By: Dispatch On: Team:	RCANTU on 3/19/2021 19:29:00 jliaw on 3/23/2021 07:27:12 3/23/2021 Z	Assignment No: 1894121 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date	3/19/2021 00:00:00	
Description:	VM CALLING IN ABOUT AN ODOR THAT OCCUP AN INSPECTOR WAS COMING OUT. SOMEONE	RED EARLIER _ MODE DID NOT CALL EARLIER BECAUSE MAKEW NEEDS TO COME OUT. (DID NOT LEAVE CITY)
Instance Start Date	:	Instance End Date:
Complainant		
First Name:	A STATE OF THE OWNER, WHEN PARTY AND ADDRESS OF	
Address: Phone:	The State of the State of	
Alleged Source		
Name:	MURPHY OIL DRILL SITE	
Address:	ADAMS, DIAMOND BAR, CA 91765 (Sector CN)	
Actual Source		
Name:	E&B NATURAL RESOURCES MANAGEMENT CO	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 9001	3-2039 (Sector WG)
Facility TS:	TS-15 industrial: Crude Oil Production	
Disposition	OC on 4/9/2021 15:14:11	
Inspector Con	ment	
Site' (FID 19111! well servicing op necessary; I deter 1148.1. Rule 402	recent uptick in odor complaints alleging odor 9) located at 2126 West Adams Boulevard in the erations that were ongoing at the Murphy Site. mined this operation to qualify as maintenance	s from the E&B Natural Resources Management Corp's 'Murphy ne city of Los Angeles. I confirmed the odor to be sourced at Well casing was being pulled up, inspected and replaced as and as such is exempted from certain provisions of Rule 6 complaint threshold was not met. The servicing of the well is
Complaint specif	īc:	
3/23/21 0900 Ho		
Called back com	plainant, left voicemail.	
	nts: 320238, 320276 ntes: 3/19/21, 3/24/21	
Report 3/19/21 1540 Ho	urs	
I arrived in the arthe site. From ou	rea of the E&B 'Murphy Site' to investigate the tside the facility I could see a rig was present.	odor complaint. I observed an odor of crude oil downwind of Odors were not detected upwind of the site.
	lity operator (323-816-1528) to initiate an inspreparated me through the facility.	pection of the site. The operator on duty, Ben, granted entry to
The Oil & Gas palso available). N	rocessing equipment was inspected for fugitive to vapor leaks were observed and odors were r	emissions with a FLIR optical gas imaging camera (TVA was ninimal around the equipment.
ÎNSPECTOR: si	ignature	DATE:
SUPERVISOR:		DATE:
Si	gnature	

User ID:

jgreaney

Complaint 320276 Run Date: 7/21/2021 10:27:02 Odors were strongest around the rig, which I determined to be the source. No enforcement action was taken at the time of inspection.

3/24/21 1200 Hours

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance. Due to the potential for public nuisance from this ongoing operation, I requested that E&B Natural Resources provide any odor mitigation plan and monitoring data available as required by 1148.1(g)(3)(A).

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw 4/13/21

User ID:

INSPECTOR:	signature	DATE:	
SUPERVISOR:		DATE:	
;	signature	_	· ·

igreaney Page 2 of 2

Complaint 32	_	Run Date: 7/28/2021 10:22:48
Receive By: Assign By: Dispatch On: Team:	KARLYNZ on 3/22/2021 11:23:52 jgreaney on 3/23/2021 07:28:21 3/23/2021 Z	Assignment No: 1894176 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date	3/24/2021 00:00:00	
Description:	STROG SMELL OF OIL THIS MORNING @ 06:30	
Instance Start Date:	:	Instance End Date:
Complainant		
First Name:		
Address: Phone:	THE RESERVE	
Alleged Source	e	
Name:	OIL DERRICK	
Address:	ADAMS /CIMMARON, LOS ANGELES, CA 90018	(Sector WG)
Actual Source		
Name:	E&B NATURAL RESOURCES MANAGEMENT CO	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 9001	8-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	OC on 4/9/2021 15:14:59	
Inspector Con	nment	
Site' (FID 191119 be sourced at wel replaced as neces Rule 1148.1. Rul	9) located at 2126 West Adams Boulevard in t il servicing operations that were ongoing at the sary; I determined this operation to qualify as	rs from the E&B Natural Resources Management Corp's 'Murphy he city of Los Angeles. I confirmed a similarly described odor to Murphy Site. Well casing was being pulled up, inspected and maintenance and as such is exempted from certain provisions of ce the 6 complaint threshold was not met. The servicing of the
Complaint specif 3/23/21 0915 Ho Complainant call outside. The odor 'Murphy Site.'	urs back. Odor was described as a "gas" odor. Od	for was observed between 0600-1000 hours, only detected while The source was alleged to be the E&B Natural Resources
	ats: 320271, 320301 ates: 3/19/21, 3/24/21	
Report 3/24/21 1200 hot	urs	
detected an odor	icinity of the E&B Natural Resources Manager of crude oil downwind of the Murphy Site at a e. The odor matched descriptions provided by	ment Corp 'Murphy Site' to investigate the odor complaints. I an intensity of 2/5, the odor was not detected when I moved complainants.
observed the sam		sent during a site inspection on 3/19/21. I had previously ined the odor to be sourced at the rig operations, which have
INSPECTOR: si	gnature	DATE:
SUPERVISOR:	gnature	DATE:

User ID:

jgreaney

Complaint 320301

Run Date: 7/28/2021 10:22:48

Page 2 of 2

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Ongoing potential for public nuisance from this operation.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw 4/13/21

User ID:

jgreaney

INSPECTOR:	signature	DATE:	
SUPERVISOR:		DATE:	
	signature		

Complaint 32	20359	- F	Run Date: 8/12/2021 15:50:43
Receive By: Assign By: Dispatch On: Team: Type:	KARLYNZ on 3/24/2021 08:28:25 jgreaney on 3/24/2021 08:33:52 3/24/2021 Z ODORS	Assignment No: 1894611 Inspector: JARLATH GREAN Instruction:	JEY (JG04)
Inspection Date	3/24/2021 00:00:00		
Description:	STRONG TAR SMELL @ 08:30 HAPPENING NO	V	
Instance Start Date	э :	Instance End Date:	
Complainant			
First Name:			
Address:		Total Control	
Phone: Alleged Sour	CO.		
/-			
Name:	OIL WELL	(0)	
Address:	ADAMS BL, LOS ANGELES, CA 90018 (Sector	76)	
Actual Source	e		
Name:	E&B NATURAL RESOURCES MANAGEMENT C		
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 900	8-2039 (Sector WG)	
Facility TS:	TS-15 Industrial: Crude Oil Production		
Disposition	OC on 4/1/2021 08:39:22		
Inspector Cor			
Executive Sumn			
observed odors i Site. Well casing maintenanceand	agement Corp's 'Murphy Site' (FID 191119) loc matching the complainants descriptions in the g was being pulled up, inspected and replaced as such is exempted from certain provisions o plaint threshold was not met for the odor event	rea of well servicing operations is necessary; I determined this of Rule 1148.1. Rule 402 for publi	that were ongoing at the Murphy peration to qualify as ic nuisance is not applicable
Complaint speci 3/24/21 0840 He II called back co detected at appro		mplainant described a strong od nished and is only observed outs	or of tar or oil that was first ide their residence.
maintenance ope for oil wells und nuisance. I reco	omplainant of my inspection of the alleged sor erations on the well casing at the site. I explain lergoing maintenance or repairs. I also notified mmended filing a complaint whenever any sim OG hotline or at aquad gov so that district staff	d that South Coast AQMD rule the complainant of the applicabi lar odors are experienced in the	1148.1 includes an exemption lity of rule 402 for public
J. Greaney 3/24	/21		
	ints: 320359, 320360, 320362, 320363, 32036 dates: 3/19/21, 3/24/21		
Report 3/24/21 1200 ho	purs		
INSPECTOR:	signature	DATE:	
SUPERVISOR:	signature	DATE:	
2	· U		***

User ID:

jgreaney

Complaint 320359

Run Date: 8/12/2021 15:50:43

I arrived in the vicinity of the E&B Natural Resources Management Corp 'Murphy Site' to investigate the odor complaints. I detected an odor of crude oil downwind of the Murphy Site at an intensity of 2/5, the odor was not detected when I moved upwind of the site. The odor matched descriptions provided by complainants.

I observed a workover rig present at the Murphy Site, the rig was also present during a site inspection on 3/19/21. I had previously observed the same odor on 3/19/21 while at the site and determined the odor to be sourced at the rig operations where the odors were localized. Well maintenance operations have been ongoing for the past 2 weeks.

I was not able to confirm the odors with the complainants due to a change in wind direction since the complaints had been filed.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw on 8/12/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	
		·

User ID: jgreaney Page 2 of 2

Complaint 32	0360	Run Date: 8/12/2021 15:51:15
Receive By: Assign By: Dispatch On: Team:	WEB on 3/24/2021 08:32:12 jgreaney on 3/24/2021 08:57:59 3/24/2021 Z	Assignment No: 1894619 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date	3/24/2021 00:00:00	
Description:	SHARP ODER DUE TO OIL ACTIVITIES ON JEFF	FERSON
Instance Start Date:	03/24/2021 00:00	Instance End Date: 03/24/2021 00:00
Complainant		
First Name:		
Address: Phone:		
Alleged Source	e	
Name:	OIL FIELDS	
Address:	2190 W. 29TH PL, LOS ANGELES, CA 90018 (Se	ector WG)
Actual Source		
Name:	E&B NATURAL RESOURCES MANAGEMENT CO	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 9001	8-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	OC on 4/1/2021 08:40:27	
Inspector Con	ment	
Resources Manag observed odors m Site. Well casing maintenanceand	gement Corp's 'Murphy Site' (FID 191119) loc atching the complainants descriptions in the a was being pulled up, inspected and replaced a as such is exempted from certain provisions of	5 odor complaints alleging odors from the E&B Natural ated at 2126 West Adams Boulevard in the city of Los Angeles. I trea of well servicing operations that were ongoing at the Murphy is necessary; I determined this operation to qualify as Faule 1148.1. Rule 402 for public nuisance is not applicable. The servicing of the well is ongoing and has potential for future
Complaint specifi 3/24/21 0859 Hot		
I called back com was first detected	plainant for details of their complaint. The co at approximately 0600 hours at an intensity of	mplainant described a strong odor of "burnt" or "chemical" that f 4/5 which has since dispersed somewhat.
J. Greaney 3/24/2	1	
	ats: 320359, 320360, 320362, 320363, 320364 ates: 3/19/21, 3/24/21	L Comments of the Comments of
Report 3/24/21 1200 hou	urs	
detected an odor	cinity of the E&B Natural Resources Manage of crude oil downwind of the Murphy Site at a e. The odor matched descriptions provided by	ment Corp 'Murphy Site' to investigate the odor complaints. I an intensity of 2/5, the odor was not detected when I moved complainants.
INSPECTOR: si	gnature	DATE:
SUPERVISOR:	gnature	DATE:

User ID:

jgreaney

Complaint 320360 Run Date: 8/12/2021 15:51:15 l observed a workover rig present at the Murphy Site, the rig was also present during a site inspection on 3/19/21. I had

Provided a workover rig present at the Murphy Site, the rig was also present during a site inspection on 3/19/21. I had previously observed the same odor on 3/19/21 while at the site and determined the odor to be sourced at the rig operations where the odors were localized. Well maintenance operations have been ongoing for the past 2 weeks.

I was not able to confirm the odors with the complainants due to a change in wind direction since the complaints had been filed.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw on 8/12/21

signature	

		ompianic ixchort
Complaint 32		Run Date: 8/12/2021 15:51:37
Receive By: Assign By: Dispatch On: Team:	BYOUNG on 3/24/2021 08:53:40 jliaw on 3/24/2021 15:00:52 3/24/2021 Z	Assignment No: 1894655 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date	3/24/2021 00:00:00 tar and oil odor. pls call.	
Description:	tal and on odor. pis can.	
Instance Start Date	e:	Instance End Date:
Complainant		
First Name:		Y
Address: Phone:		
Alleged Sour	ce	
Name:	MURPHY OIL DRILLING SITE	
Address:	ADAMS BLVD/WESTERN AVE, LOS ANGE	LES, CA 90018 (Sector WG)
Actual Source	e	
Name:	E&B NATURAL RESOURCES MANAGEME	NT CORP ID: 191119
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA	90018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	OC on 4/1/2021 08:41:16	
Inspector Con		
observed odors a Site. Well casing maintenanceand	matching the complainants descriptions in g was being pulled up, inspected and repla as such is exempted from certain provision plaint threshold was not met for the odor e	the area of well servicing operations that were ongoing at the Murphy ced as necessary; I determined this operation to qualify as ons of Rule 1148.1. Rule 402 for public nuisance is not applicable vent. The servicing of the well is ongoing and has potential for future
Complaint speci 3/24/21 1552 He Called back con	fic: ours aplainant, voicemail full.	
J. Greaney 3/24/	721 ints: 320359, 320360, 320362, 320363, 32	0364
	lates: 3/19/21, 3/24/21	
Report 3/24/21 1200 ho	ours	
detected an odor		nagement Corp 'Murphy Site' to investigate the odor complaints. I te at an intensity of 2/5, the odor was not detected when I moved and by complainants.
previously obser	rved the same odor on 3/19/21 while at the	rig was also present during a site inspection on 3/19/21. I had e site and determined the odor to be sourced at the rig operations ons have been ongoing for the past 2 weeks.
INSPECTOR:	signature	DATE:
SUPERVISOR:	signature	DATE:

User ID:

jgreaney

Complaint 320362

Run Date: 8/12/2021 15:51:37

Page 2 of 2

I was not able to confirm the odors with the complainants due to a change in wind direction since the complaints had been filed.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw on 8/12/21

User ID:

jgreaney

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	

Complaint 32	0363	•	•	Run Date: 8/12/2021 15:51:55
Receive By: Assign By: Dispatch On: Team: Type:	WEB on 3/24/2021 09:01:02 jliaw on 3/24/2021 15:00:51 3/24/2021 Z ODORS	Assignment No: 1894 Inspector: JAR Instruction:	4656 RLATH GREA	NEY (JG04)
Inspection Date Description:	3/24/2021 00:00:00 HORRIBLE NOXIOUS CHEMICAL SMELL IN THE	AIR.		
Instance Start Date:	03/24/2021 08:30	Instance End Date: (03/24/2021 0	8:30
Complainant		40110		
First Name: Address: Phone:	Last Name: ANONYN	<i>i</i> rous		
Alleged Source	e			
Name: Address: Actual Source	MURPHY DRILLING SITE 2126 W ADAMS BLVD, LOS ANGELES, CA 90018	3 (Sector WG)		
Name: Address: Facility TS: Disposition	E&B NATURAL RESOURCES MANAGEMENT CO 2126 W ADAMS BLVD, LOS ANGELES, CA 90018 TS-15 Industrial: Crude Oil Production			
Disposition	OC on 4/1/2021 08:42:00			
Resources Manag observed odors m Site. Well casing maintenanceand a since the 6 compl public nuisance. Complaint specifi 3/24/21 1623 Hot I called back the	f 3/24/21, South Coast AQMD staff received 5 sement Corp's 'Murphy Site' (FID 191119) local atching the complainants descriptions in the arwas being pulled up, inspected and replaced as as such is exempted from certain provisions of aint threshold was not met for the odor event. The complainant and left a voicemal requesting a case of the complainant and left a voicemal requesting a case of	ted at 2126 West Adea of well servicing servicing recessary; I determ Rule 1148.1. Rule 4 The servicing of the	dams Boule operations nined this of 102 for publ	evard in the city of Los Angeles. I that were ongoing at the Murphy peration to qualify as lic nuisance is not applicable
J. Greaney 3/24/2 Related complain	ts: 320359, 320360, 320362, 320363, 320364			
	ates: 3/19/21, 3/24/21			
Report 3/24/21 1200 hou	urs			
detected an odor	cinity of the E&B Natural Resources Managen of crude oil downwind of the Murphy Site at an e. The odor matched descriptions provided by o	n intensity of 2/5, th	Site' to inve le odor was	stigate the odor complaints. I not detected when I moved
previously observ	cover rig present at the Murphy Site, the rig was yed the same odor on 3/19/21 while at the site a	s also present during and determined the condition DATE:	g a site insp odor to be s	pection on 3/19/21. I had ourced at the rig operations
SUPERVISOR:	gnature	DATE:		

User ID:

jgreaney

Complaint 320363

Run Date: 8/12/2021 15:51:55

where the odors were localized. Well maintenance operations have been ongoing for the past 2 weeks.

I was not able to confirm the odors with the complainants due to a change in wind direction since the complaints had been filed.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw on 8/12/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	

User ID: j

igreaney

Page 2 of 2

Complaint 32	0364		Run Date: 8/12/2021 15:52:12
Receive By: Assign By: Dispatch On: Team:	WEB on 3/24/2021 09:01:43 jliaw on 3/24/2021 15:00:49 3/24/2021 Z	Assignment No: Inspector: Instruction:	1894657 JARLATH GREANEY (JG04)
Type:	ODORS		
Inspection Date	3/24/2021 00:00:00		
Description:	FOR THE LAST SEVERAL DAYS, WE HAVE SME USUALLY DISSIPATES BY MIDDAY. I AM NEARBY DRILLING SITE	AND VERY	MICAL SMELL EARLY IN THE MORNING THAT CONCERNED ABOUT TOXIC CHEMICALS FROM
Instance Start Date	03/24/2021 07:00	Instance End D	ate: 03/24/2021 07:00
Complainant			
First Name:			
Address: Phone:		8	
Alleged Source	e e		
Name:	OIL SITE		
Address:	29 TH PLACE/CIMMARON, LOS ANGELES, CAS	90018 (Sector WG)
Actual Source			±
Name:	E&B NATURAL RESOURCES MANAGEMENT CO		
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 9001	8-2039 (Sector W	G)
Facility TS:	TS-15 Industrial: Crude Oil Production		
Disposition	OC on 4/1/2021 08:43:26		
Inspector Con	mont		
Resources Manag observed odors n Site. Well casing maintenanceand	natching the complainants descriptions in the as was being pulled up, inspected and replaced a as such is exempted from certain provisions of	ated at 2126 We rea of well servi s necessary; I de Rule 1148.1. Ru	st Adams Boulevard in the city of Los Angeles. I cing operations that were ongoing at the Murphy termined this operation to qualify as
Complaint specifi 3/24/21 1628 Ho I called back the J. Greaney 3/24/2	urs complainant and left a voicemal requesting a c	all.	
	ats: 320359, 320360, 320362, 320363, 320364 ates: 3/19/21, 3/24/21		
Report 3/24/21 1200 hor	urs		
detected an odor	cinity of the E&B Natural Resources Manager of crude oil downwind of the Murphy Site at a e. The odor matched descriptions provided by	n intensity of 2/	
previously observ	kover rig present at the Murphy Site, the rig waved the same odor on 3/19/21 while at the site and same of the same odor odor of the same odor odor odor odor odor odor odor odo	as also present d and determined DATE:	uring a site inspection on 3/19/21. I had the odor to be sourced at the rig operations
SUPERVISOR:	gnature	DATE:	

User ID:

jgreaney

Complaint 320364

Run Date: 8/12/2021 15:52:12

where the odors were localized. Well maintenance operations have been ongoing for the past 2 weeks.

I was not able to confirm the odors with the complainants due to a change in wind direction since the complaints had been filed.

I contacted the site foreman, Gilbert Alvarez (714-951-1003). Mr. Alvarez informed me that the rig was servicing well 'N30,' a water injection well. Servicing the well included removal of well casing and rod sections for inspection and replacement as necessary. I informed Mr. Alvarez of the complaints received that morning as well as the additional complaints over the past few weeks. I also made Mr. Alvarez aware of the applicability of Rule 402 for public nuisance.

The ongoing operation qualifies as maintenance.

The Oil & Gas production equipment at the site was inspected for fugitive emissions on 3/19/21 and the odors were determined to be sourced at the maintenance operations of the rig.

No enforcement action was taken at the time of inspection. The 6 complaint threshold for Rule 402 public nuisance was not met for the odor event on 3/24/21.

Rule 1148.2 is not applicable as the operation being conducted consisted of removal of well casing and rod sections for inspection and replacement as necessary; no drilling or rework of the formation was included in the maintenance activities.

Certain provisions of Rule 1148.1 are exempted since the operations related to the well rig qualify as maintenance.

Updated 3/26/21 by J. Greaney

Reviewed by J. Liaw on 8/12/21

INSPECTOR:	signature	DATE:	
SUPERVISOR:		DATE:	
	signature		
Hear ID: in	Treanav		Page 2 of 2

Complaint 320	0649	P	Run Date: 7/28/2021 11:48:50
Receive By: Assign By: Dispatch On: Team:	WEB on 3/31/2021 17:08:04 bpham on 3/31/2021 17:33:53 3/31/2021 Z	Assignment No: 1896358 Inspector: BULLINGTON F Instruction:	PHAM (BP02)
Type:	ODORS		
Inspection Date	3/31/2021 00:00:00		
Description:	WALKED OUT OF MY HOUSE AND SMELLED A CHEARD WORK BEING DONE ON THE SITE (WHIELD NEIGHBOR TO ASK IF THEY SMELLED	CH I THINK MIGHT BE IN VIOLA	THE MURPHY DRILL SITE, SAW AND TION OF SOME REGULATION).
Instance Start Date:	03/27/2021 21:00	Instance End Date: 03/27/2021	21:00
Complainant			
First Name:			
Address:		2.00	
Phone:			
Alleged Sourc	e		
Name:	MURPHY OIL SITE		
Address:	ADAMS, LOS ANGELES, CA 90018 (Sector WK)		
Actual Source			
Name:	E&B NATURAL RESOURCES MANAGEMENT CO	RP ID: 191119	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 90018	3-2039 (Sector WG)	
Facility TS:	TS-15 Industrial: Crude Oil Production		
Disposition	PAST on 4/1/2021 09:00:00		
	:30 hrs (by Inspector TL)		
REPORT: BP02. 17:37 hrs. provided brief det field to investigat	I left a voicemail requesting a call back to obtails on our business hours (0700-1800 hours). e the complaint.	ain further details on the natur Simultaneously, inspector Th	e of the complaint. Additionally, I nomas Lee was dispatched into the
Entered on 04/01	/2021 (BP02).		
On 03/31/2021, at approximately 1821 hour, I arrived near the North entrance of E&B Murphy Site and initiated an odor surveillance. Winds were blowing from the SW at 3.1 mph (anemometer); 82dF. I conducted a walkthrough around the alleged facility's fence line and conducted downwind/upwind odor surveillance in my vehicle. No odors were detected as a result of my investigation. Additionally, I did not observe any work activity to be ongoing on site. At 1836 hours, I called and left the complainant a voicemail detailing my contact information. I departed the area at approximately 1900 hours. At 1925 hours, the complainant returned my call and shared complaint was in reference to an observation made on 03/27/2021, the Saturday before. I shared with my findings and encouraged to call the 1800-CUT-SMOG number during the time detected the odor. I requested if I could follow-up with the next day as I was in the middle of another assignment; agreed and concluded the phone call. On 04/01/2021, at 1627 hours, I called the complainant back to answer any questions may have had for me. reiterated the odor occurred on 03/27/2021, at approximately 2100 hours and described the odor to be methane-like with an intensity of 3 (0-5) also shared observed work activity onsite and was concerned if they were operating in compliance. I shared with the South Coast AQMD's annual inspection at the alleged site, our complaint response during after hours, R402 for Public			
Nuisance and dire	ast AOMD's annual inspection at the alleged si ected to "http://www3.aqmd.gov/webappl/i	te, our complaint response dur nov/nov.aspx?notice_type=NC DATE:	ong after hours, R402 for Public OV" to review any Notice of
SUPERVISOR:	znature	DATE:	

User ID:

jgreaney

SCAQMD Complaint Report Complaint 320649 Run Date: 7/28/2021 11:48:50 Violation's that was issued to the facility. Thanked the South Coast AQMD and this concluded our phone call. Prepared by: TL05 04/13/2021		
·		

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	
User ID: jg	greaney	Page 2 of 2

Complaint 3	_	Run Date: 7/28/2021 11:49:21
Receive By: Assign By: Dispatch On:	WEB on 6/4/2021 06:39:32 jliaw on 6/4/2021 07:32:09 6/4/2021	Assignment No: 1909259 Inspector: JARLATH GREANEY (JG04) Instruction:
Team: Type:	Z ODORS	
Inspection Date	6/4/2021 00:00:00	
Description:	CHEMICAL BURNING SMELL.	
Instance Start Date	e: 06/04/2021 06:10	Instance End Date: 06/04/2021 06:10
Complainant		
First Name:		
Address: Phone:		
Alleged Sour	ce	
Name:	MURPHY OIL DRILLLING SITE	
Address:	WEST ADAMS & GRAMERCY PL, LOS	ANGELES, CA 90018 (Sector WG)
Actual Source	e	
Name:	E&B NATURAL RESOURCES MANAGEM	
Address:	2126 W ADAMS BLVD, LOS ANGELES,	CA 90018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	NC on 6/8/2021 16:08:25	
Inspector Con	nment	
Resources 'Murp the site was initiathat was replacing to be sourced from	ohy Site' (FID 191119). The odors descripted, confirming the source to be the E& ag line on the 'Murphy-23' production w	e early morning hours all alleged the same source: E&B Natural ribed were confirmed down wind of the 'Murphy Site.' An inspection of &B Natural Resources 'Murphy Site,' specifically a well workover rig rell. Facility staff were notified that the odor complaints were confirmed ace to Comply E51096 was issued to conduct a Specific Cause Analysis rause Analysis Report within 30 days.
0600 hours. Odo	plainant, odor was described as a "burn	ning chemical or burning plastic," first observed upon waking up around was observed indoors as well as outdoors. Odor is ongoing. ohy Site, the alleged source.
Windy.com indi	cates that wind conditions through the n	ight and early morning were 1-2 mph out of the NE/E.
described were c	icinity of the complainant and alleged s	ource. Winds were 3-6 mph out of the SW (kestrel). The odors e' along the facility fence line (1155 hours), odors were not detected vely replacing line on a well.
investigation. I re were detected ar	pliance inspection of the E&B Natural I net with Moises Razo, Lease Operator, ound the well workover rig, which was	Resources 'Murphy Site' (FID 191119) in response to an odor complaint who granted entry and accompanied my inspection of the site. The odors actively replacing line down-hole on the 'Murphy-23' well. I determined notified that this would qualify as a "confirmed odor event" as it relates
6/9/2021 0900	hours	
INSPECTOR: s	ignature	DATE:
SUPERVISOR:	ignature	DATE:

User ID:

jgreaney

Complaint 322674

Run Date: 7/28/2021 11:49:21
1 issued Notice to Comply £51096 to Gilbert Alferez, Production Supervisor, in person to: "Conduct a specific cause analysis for the 6/4/2021 confirmed odor event, and submit the specific cause analysis report as required by rule 1148.1(f)."

Related complaints: 322674, 322680, 322684, 322687

Report written by J. Greaney on 6/10/2021

Reviewed by J. Liaw 6/10/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	

User ID:

jgreaney

Page 2 of 2

Complaint 32		Run Date: 7/28/2021 11:50:04
Receive By: Assign By: Dispatch On: Team: Type: Inspection Date Description:	WEB on 6/4/2021 08:25:39 jilaw on 6/4/2021 08:31:49 6/4/2021 Z ODORS 6/4/2021 00:00:00 MY NEIGHBORS AND I WOKE UP TO A CHEM OVER THE COURSE OF THIS YEAR. THE SM	Assignment No: 1909285 Inspector: JARLATH GREANEY (JG04) Instruction: IICALLY SMELL. WE HAVE LOGGED SEVERAL COMPLAINTS LIKE THIS ELL PERIODICALLY OCCURS IN THE EARLY MORNING HOURS. I HAVE
	NOTICED IT AS EARLY AS 2AM, AND IT USUA	ALLY DISSIPATES BY ABOUT 5AM. Instance End Date: 06/04/2021 05:00
Instance Start Date:	06/04/2021 05:00	Instance End Date: 00/04/2021 05:00
Complainant First Name:		
Address:		
Phone:		EY.
Alleged Source	e	
Name:	MURPHY DRILL SITE	
Address:	ADAMS AND WESTERN, LOS ANGELES, CA	90018 (Sector WG)
Actual Source		
Name:	E&B NATURAL RESOURCES MANAGEMENT	CORP ID: 191119
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 90	018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	NC on 6/8/2021 16:28:26	
Inspector Con		
Resources 'Murpl the site was initia that was replacing to be sourced from	ny Site' (FID 191119). The odors described ted, confirming the source to be the E&B Note in the 'Murphy-23' production well. F	were confirmed down wind of the 'Murphy Site.' An inspection of atural Resources 'Murphy Site,' specifically a well workover rig acility staff were notified that the odor complaints were confirmed Comply E51096 was issued to conduct a Specific Cause Analysis Analysis Report within 30 days.
dispersed around	plainant, odor was described as "burnt chem 0630 hours and is no longer detected. Com	ical or plastic," first observed at approximately 0500 hours. Odor plainant is located south of the E&B Murphy Site, the alleged rphy Site that has been a source of odors in the past.
Windy.com indic	ates that wind conditions through the night v	were 1-2 mph out of the NE/E.
6/4/21 1135 hours I arrived in the vicinity of the complainant and alleged source. Winds were 3-6 mph out of the SW (kestrel). The odors described were confirmed downwind of the 'Murphy Site' along the facility fence line (1155 hours), odors were not detected upwind of the site. A well workover rig was visible actively replacing line on a well.		
investigation. I m	liance inspection of the E&B Natural Resount the with Moises Razo, Lease Operator, who would the well workover rig, which was active	arces 'Murphy Site' (FID 191119) in response to an odor complaint granted entry and accompanied my inspection of the site. The odors ely replacing line down-hole on the 'Murphy-23' well. I determined ited that this would qualify as a "confirmed odor event" as it relates
6/9/2021 0900 INSPECTOR:	~ 1 Fernor ON 180 F 1	DATE:
31	gnature	
SUPERVISOR:	gnature	DATE:

User ID:

jgreaney

Complaint 322680 Run Date: 7/28/2021 11:50:04
I issued Notice to Comply E51096 to Gilbert Alferez, Production Supervisor, in person to: "Conduct a specific cause analysis for the 6/4/2021 confirmed odor event, and submit the specific cause analysis report as required by rule 1148.1(f)."

Related complaints: 322674, 322680, 322684, 322687

Report written by J. Greaney on 6/10/2021

Reviewed by J. Liaw 6/10/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	9

User ID:

jgreaney

	SCAQMID	compianit Keport
Complaint 3	22684	Run Date: 7/28/2021 11:50:33
Receive By: Assign By: Dispatch On: Team: Type:	WEB on 6/4/2021 09:55:24 jliaw on 6/4/2021 11:37:50 6/4/2021 Z ODORS	Assignment No: 1909333 Inspector: JARLATH GREANEY (JG04) Instruction:
Inspection Date	6/4/2021 00:00:00	
Description:	BURNING PLASTIC SMELL EARLY IN TH	E MORNING.
Instance Start Dat	e: 06/04/2021 06:00	Instance End Date: 06/04/2021 06:00
Complainant		
First Name:		
Address: Phone:		
Alleged Sour	ce	
Name:	UNKNOWN (MURPHY DRILL SITE)	
Address:	2066 W 29TH PL, LOS ANGELES, CA 90	018 (Sector WG)
Actual Source	e	
Name:	E&B NATURAL RESOURCES MANAGEM	ENT CORP ID: 191119
Address:	2126 W ADAMS BLVD, LOS ANGELES, (A 90018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	NC on 6/8/2021 16:38:47	
Inspector Co		
Resources 'Mur the site was init that was replaci to be sourced fr	phy Site' (FID 191119). The odors descri- lated, confirming the source to be the E& ng line on the 'Murphy-23' production we	early morning hours all alleged the same source: E&B Natural bed were confirmed down wind of the 'Murphy Site.' An inspection of B Natural Resources 'Murphy Site,' specifically a well workover rig ell. Facility staff were notified that the odor complaints were confirmed to Comply E51096 was issued to conduct a Specific Cause Analysis ause Analysis Report within 30 days.
6/4/21 1147 ho Called back cor	urs nplainant, left voicemail requesting a ret	m call.
Windy.com ind	icates that wind conditions through the ni	ght and early morning were 1-2 mph out of the NE/E.
described were	vicinity of the complainant and alleged so	ource. Winds were 3-6 mph out of the SW (kestrel). The odors along the facility fence line (1155 hours), odors were not detected ely replacing line on a well.
investigation. I were detected a	pliance inspection of the E&B Natural R met with Moises Razo, Lease Operator, v round the well workover rig, which was a	desources 'Murphy Site' (FID 191119) in response to an odor complaint who granted entry and accompanied my inspection of the site. The odors actively replacing line down-hole on the 'Murphy-23' well. I determined notified that this would qualify as a "confirmed odor event" as it relates
for the 6/4/2021	to Comply E51096 to Gilbert Alferez, Pr	oduction Supervisor, in person to: "Conduct a specific cause analysis becific cause analysis report as required by rule 1148.1(f)."
INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:

User ID:

jgreaney

Complaint 322684 Run Date: 7/28/2021 11:50:33

Related complaints: 322674, 322680, 322684, 322687

Report written by J. Greaney on 6/10/2021

Reviewed by J. Liaw 6/10/21

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
	signature	
		`

User ID:

jgreaney

Complaint 32		Run Date: 7/28/2021 11:51:09
Receive By: Assign By: Dispatch On: Team:	RCANTU on 6/4/2021 10:51:00 jliaw on 6/4/2021 11:37:02 6/4/2021 Z	Assignment No: 1909332 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date Description:	6/4/2021 00:00:00 REC'D VIA EMAIL _ CAL EPA COMPLAINT headache. Potentially from Murphy Drill Site	#50902 Woke up around 6:30am to a chemical smell, feeling congested with
Instance Start Date		Instance End Date:
Complainant		
First Name:		
Address: Phone:		
Alleged Source	e	
Name:	MURPHY DRILL SITE	
Address:	W 29TH PL, LOS ANGELES, CA 90018 (Se	ector WG)
Actual Source		
Name:	E&B NATURAL RESOURCES MANAGEME	NT CORP ID: 191119
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA	\ 90018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	NC on 6/8/2021 16:49:48	
Inspector Con	iment	
Resources 'Murpi the site was initia that was replacin to be sourced from	by Site' (FID 191119). The odors describ ted, confirming the source to be the E&F g line on the 'Murphy-23' production wel	early morning hours all alleged the same source: E&B Natural and were confirmed down wind of the 'Murphy Site.' An inspection of B Natural Resources 'Murphy Site,' specifically a well workover rig 1. Facility staff were notified that the odor complaints were confirmed to Comply E51096 was issued to conduct a Specific Cause Analysis use Analysis Report within 30 days.
		al," first observed at approximately 0630 hours with an intensity of of e, the alleged source.
Windy.com indic	ates that wind conditions through the nig	tht were 1-2 mph out of the NE/E.
described were c	cinity of the complainant and alleged so	urce. Winds were 3-6 mph out of the SW (kestrel). The odors along the facility fence line (1155 hours), odors were not detected ly replacing line on a well.
investigation. I m	pliance inspection of the E&B Natural Re net with Moises Razo, Lease Operator, w bund the well workover rig, which was ac	esources 'Murphy Site' (FID 191119) in response to an odor complaint ho granted entry and accompanied my inspection of the site. The odors stively replacing line down-hole on the 'Murphy-23' well. I determined otified that this would qualify as a "confirmed odor event" as it relates
INSPECTOR		duction Supervisor, in person to: "Conduct a specific cause analysis DATE:
SUPERVISOR:	gnature	DATE:

jgreaney

User ID:

Page 1 of 2

Complaint 322687 Run Date: 7/28/2021 11:51:09 for the 6/4/2021 confirmed odor event, and submit the specific cause analysis report as required by rule 1148.1(1)."

Related complaints: 322674, 322680, 322684, 322687

Report written by J. Greaney on 6/10/2021

Reviewed by J. Liaw 6/10/21

User ID:

jgreaney

Complaint 30	03520		Run Date: 7/21/2021 10:18:42
Receive By: Assign By: Dispatch On: Team:	VZURITA on 10/1/2019 10:29:00 vzurita on 10/1/2019 10:28:07 10/1/2019 Z	Assignment No Inspector: Instruction:	: 1788922 ADAM TAVASOLIAN (AT12) Reviewed by J. Liaw 2/20/20
Type:	OTHER		
Inspection Date	10/1/2019 00:00:00		A THE MARKET STATE OF THE STATE
Description:	At the Murphy Oil Field, investigate uncontrolled emissions, including	records g violations of COGR	ed emissions from green hooded vent (pictured). Please
Instance Start Date	e:	Instance End [Date:
Complainant			
First Name: Address: Phone:	Constitution of the		
Alleged Sour	ce		
Name:	MURPHY OIL FIELD		
Address:	34.06352293208002, _118.263052, WILMI	NGTON, CA 90744 (Sec	ctor LB)
Actual Source	e		
Name:	E&B NATURAL RESOURCES MANAGEMI	ENT CORP ID: 191119	
Address:	2126 W ADAMS BLVD, LOS ANGELES, C	A 90018-2039 (Sector V	√G)
Facility TS:	TS-15 Industrial: Crude Oil Production		
Disposition	NN 0/0/0000 44-E0-E0		
e v 720	NV on 3/3/2020 14:59:59		
Inspector Co	mment		
INSPECTOR:	signature	DATE:	
SUPERVISOR:		DATE:	
•	signature	 -	

User ID:

jgreaney

Page 1

	SCAQMID	ompiami Kepori
Complaint 3	06243	Run Date: 7/21/2021 10:20:27
Receive By: Assign By: Dispatch On: Team: Type:	PRODRIGU on 12/9/2019 08:46:06 cmaldona on 12/9/2019 14:26:29 12/11/2019 Z ODORS	Assignment No: 1802926 Inspector: BULLINGTON PHAM (BP02) Instruction: Reviewed by J. Liaw 12/11/19
Inspection Date	12/9/2019 00:00:00	
Description:	Light foul odor coming from three stacks in th	e southeast corner of a drill site.
Instance Start Date	te:	Instance End Date:
Complainant		
First Name: Address: Phone:		
Alleged Sour	rce	
Name:	OIL DRILL SITE	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA	30018 (Sector WG)
Actual Source	e	
Name:	E&B NATURAL RESOURCES MANAGEMEN	T CORP ID: 191119
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA	90018-2039 (Sector WG)
Facility TS:	TS-15 Industrial: Crude Oil Production	
Disposition	OC on 12/10/2019 10:15:14	
Complaints: #20	mment 06243 and 306249.	
concerned with the activities tha	and that also did produce a distinct oil odor t produced the odors were no longer active	
practices, ie. pur	imited response due to off hours and providinging of gas or releases, and that my ETA we today, that I would also follow up during the	led some information regarding typical/common oil maintenance as 40 minutes. I also explained that if I could not get information are week.
phoned facility (714-951-1003) activities at the	on-site operator, Eric (323-816-1528), who prior to gaining entry into the site. The op	lams) and performed odor surveillance- no odors were detected. I requested that I contact a supervisor, Gilbert Alvarez erator stated that there was currently no active maintenance or ovide any information to me. I informed him that I would contact Alvarez.
informed him th week. Additional	at since I did not detect odors at the time of	and heard back from Mr. Alvarez, to which he responded "no." I my investigation, that I would follow up during the regular work D is generally allowed to enter the site at any time for loes have permits with the agency.
16:20 hrs. No re information, I in	esponse from Mr. Alvarez. Since no odors formed facility I would follow up during the	were detected and site operator would only provide limited week.
I departed at 16:	20 hours.	
16:42 hrs. I spo handling my visi	ke with Gilbert Alvarez, who apologized fo it. He stated that E&B is still in process of t	r the inconvenience of the on-site operator's lack of knowledge of raining staff (owners since October 2019 only). Mr. Alvarez stated
INSPECTOR: s	ignature	DATE:
SUPERVISOR:		DATE:

signature

jgreaney

User ID:

Page 1 of 2

Complaint 306243

Run Date: 7/21/2021 10:20:27
that the facility had NT Services on-site, using a man-lift, to perform repairs of a Varec valve and associated repairs, from 08:00-13:00 hours. The repairs were required per quarterly 1173 monitoring performed by Montrose on 12/6/19. Mr. Alvarez stated that there were other contractors on-site for electrical and ATT. I thanked him for the information and this concluded our call.

The information provided by Mr. Alvarez agreed with complainant's observations.

12/10/19. I left VM for complainant detailing my findings.

Reviewed by J. Liaw 12/11/19

INSPECTOR:	signature	DATE:
SUPERVISOR:		DATE:
5	signature	

User ID:

jgreaney

Page 2 of 2

Complaint 30	6249	•	Run Date: 7/21/2021 10:25:11
Receive By: Assign By: Dispatch On:	PRODRIGU on 12/9/2019 11:22:44 cmaldona on 12/9/2019 14:26:26	Assignment No	BULLINGTON PHAM (BP02)
Team:	z	Instruction:	Reviewed by J. Liaw 12/11/19
Type:	ODORS		
Inspection Date	12/9/2019 00:00:00		A
Description:	possible.	v in the northwes	t corner of the drill site. Please follow up as soon as
Instance Start Date:	:	Instance End [Pate:
Complainant			
First Name:			
Address: Phone:		8	
Alleged Source	e		
Name:	OIL DRILL SITE		
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 90018	3 (Sector WG)	
Actual Source		(Costol FFG)	
Name:	E&B NATURAL RESOURCES MANAGEMENT CO	RP ID: 191119	
Address:	2126 W ADAMS BLVD, LOS ANGELES, CA 90018		(G)
Facility TS:	TS-15 Industrial: Crude Oil Production	•	•
Disposition	00 40/40/2040 40/44/45		
r	OC on 12/10/2019 10:14:15		
Inspector Com Complaints: #306			
concerned with ar the activities that I explained the lir practices, ie. purg		explained that the workers had ome information ominutes. I als	n regarding typical/common oil maintenance
phoned facility or (714-951-1003), 1 activities at the tir	a-site operator, Eric (323-816-1528), who requires to gaining entry into the site. The operator	ested that I con or stated that the e any informati	d odor surveillance- no odors were detected. I tact a supervisor, Gilbert Alvarez ere was currently no active maintenance or on to me. I informed him that I would contact
informed him that week. Additionall	oned the on-site operator and asked if he had he since I did not detect odors at the time of my it y, I informed him that South Coast AQMD is a gation related to air quality as the facility does	nvestigation, tl generally allow	nat I would follow up during the regular work ed to enter the site at any time for
16:20 hrs. No resinformation, I info	ponse from Mr. Alvarez. Since no odors were ormed facility I would follow up during the wee	detected and s ek.	ite operator would only provide limited
I departed at 16:2	0 hours.		
handling my visit. INSPECTOR	e with Gilbert Alvarez, who apologized for the He stated that E&B is still in process of training	inconvenience ng staff (owner DATE:	of the on-site operator's lack of knowledge of s since October 2019 only). Mr. Alvarez stated
SUPERVISOR:		DATE:	
sig	pature		

Page 1 of 2

User ID:

jgreaney

Complaint 306249

Run Date: 7/21/2021 10:25:11
that the facility had NT Services on-site, using a man-litt, to perform repairs of a Varec valve and associated repairs, from 08:00-13:00 hours. The repairs were required per quarterly 1173 monitoring performed by Montrose on 12/6/19. Mr. Alvarez stated that there were other contractors on-site for electrical and ATT. I thanked him for the information and this concluded our call.

The information provided by Mr. Alvarez agreed with complainant's observations.

12/10/19. I left VM for complainant detailing my findings.

Reviewed by J. Liaw 12/11/19

INSPECTOR:	signature	DATE:
SUPERVISOR:	signature	DATE:

User ID:

jgreaney

Complaint 3		Run Date: 7/28/2021 12:05:22
Receive By: Assign By:	MNUNEZ on 12/11/2020 23:40:00	Assignment No: 1875833
Dispatch On:	jtorres on 12/15/2020 07:11:07 12/15/2020	Inspector: (JT08) Instruction:
Team:	Z	manactori,
Type:	ODORS	
Inspection Date	12/15/2020 00:00:00	
Description:	VM: SEVERE SMELL	
Instance Start Dat	e:	instance End Date:
Complainant		
First Name:		NE RIV
Address: Phone:		
Alleged Sour	ce	
Name:	WELL	
Address:	ADAMS/27TH ST, LOS ANGELES, CA 900	18 (Sector WG)
Actual Source		
Name:	N/A	
Address:	N/A, LOS ANGELES, CA 90018 (Sector W	G)
Facility TS:		
Disposition	PAST on 12/15/2020 13:25:24	
The state of the s		
Inspector Cor		
complainant did	not leave a call back number.	Complaint was submitted on Friday, 12/11/20, after hours. The
Gilbert Alferez (and is staging eq	714-951-1003). My Alferez informed tha uipment such as Baker tanks and vacuum ty informed media and PR but expected to	l Resources Murphy Lease (FID 191119). I spoke with Lead Operator, t that Crimson Pipeline is conducting hydrotesting of nearby pipeline trucks at the Murphy site. The testing should be finished by Thursday, o receive complaints due to the heavy activity on site and community
I did not dispatel	n to the site due to PAST complaint and n	o contact number.
JT08 12/15/20		
Reviewed by J. I	Liaw 2/9/21	
INSPECTOR: "		DATE.
si	gnature	DATE:
SUPERVISOR:		DATE:
si	gnature	

User ID:

jgreaney

Page 1 of 1

Receive By: RHERNAND on 1/5/2021 10:25:37 Assign By: rhemand on 1/5/2021 10:27:21 Dispatch On: 1/5/2021 Team: Z Type: ODORS Inspection Date 1/5/2021 00:00:00 STRONG ODOR AND FUMES PLEASE CA	Assignment No: 1879454 Inspector: JARLATH GREANEY (JG04) Instruction: ALL, BRING EQUIPMENT TO DETECT AIR QUALITY
Type: ODORS Inspection Date 1/5/2021 00:00:00	ALL, BRING EQUIPMENT TO DETECT AIR QUALITY
	ALL, BRING EQUIPMENT TO DETECT AIR QUALITY
Description: STRONG ODOD AND ELIMES DI EASE CA	ALL, BRING EQUIPMENT TO DETECT AIR QUALITY
Description: STRONG ODOR AND FUMES PLEASE CA	
Instance Start Date: 01/05/2021 10:00	Instance End Date:
Complainant	
First Name:	
Address: Phone:	
Alleged Source	
Name: EQUIPMENT	
Address: 2126 W ADAMS BLVD, LOS ANGELES, C	A 90018 (Sector WG)
Actual Source	
Name: EVOQUA WATER TECHNOLOGIES LLC	
Address: 2126 W ADAMS BLVD, LOS ANGELES, CA	
Facility TS: TS-20 Industrial: Various Locations Equipme	ent
Disposition NV on 2/12/2021 11:55:35	
Inspector Comment	
INSPECTOR: cigneture	DATE:
signature	
SUPERVISOR:	DATE:
signature	

User ID:

jgreaney

Page 1

Complaint 3		Run Date: 7/28/2021 12:09:52
Receive By: Assign By: Dispatch On: Team:	WEB on 2/12/2021 22:14:01 jllaw on 2/16/2021 07:41:37 2/16/2021 Z	Assignment No: 1887221 Inspector: JARLATH GREANEY (JG04) Instruction:
Type:	ODORS	
Inspection Date	2/16/2021 00:00:00	•
Description:	WE LIVE CLOSE TO THE MURPHY CHEMICALLY SMELL. WE SMELL T EARLY MORNING HOURS.	DRILL SITE ON ADAMS / WESTERN. TONIGHT, WE SMELLED A STRONG HIS ROUTINELY, EVERY WEEK OR SO, TYPICALLY IN THE LATE EVENING OR
	e: 02/12/2021 22:00	Instance End Date: 02/12/2021 22:00
Complainant		
First Name:		
Address: Phone:		
Alleged Sour	ce	
Name:	MURPHY DRILL SITE	
Address:	ADAMS / WESTERN, LOS ANGELE	S, CA 90018 (Sector WG)
Actual Source	e	
Name:	SUNK	
Address:	29TH PL, LOS ANGELES, CA 90018	3 (Sector WG)
Facility TS:		
Disposition	PAST on 2/16/2021 09:25:30	
might of 2/12/21. while odors were early morning he also gave the cor	l back, odor was described as a che Complainant mentioned that they he e observable (5/5). Complainant sta burs. I informed the complainant of mplainant some background inform	mical or burnt plastic, observed from approximately 2130-2400 hours on the nad experienced some light headedness as well as headaches and nausea ted the same odor is regularly observed every few weeks in the late night to our Rule 402 for public muisance and its applicability to these situations, I ation on how South Coast AQMD responds to after hours complaints.
	pressed their gratitude for following	up.
Report complete	d by J. Greaney on 2/16/21	
Reviewe by J. Li	aw 4/13/21	
INSPECTOR: si	ignature	DATE:
SUPERVISOR:		DATE:

signature

jgreaney

User ID:

Page 1 of 1

	_	Complaint Report	
Complaint 31		Run Date: 7/28/2021 12:10:37	
Receive By: Assign By: Dispatch On: Team:	WEB on 2/13/2021 01:24:26 jliaw on 2/16/2021 07:41:35 2/16/2021 Z	Assignment No: 1887225 Inspector: JARLATH GREANEY (JG04) Instruction:	
Type:	ODORS		
Inspection Date	2/16/2021 00:00:00		
Description:	TERRIBLE CHEMICAL SMELL, SMELL DRILL SITE AT 2126 W. ADAMS BLVD	LS FAINTLY OF SKUNK. I LIVE NEAR THE MURPHY OIL DRILLING SITE. MURI	PHY
Instance Start Date	: 02/13/2021 00:00	Instance End Date: 02/13/2021 00:00	
Complainant			
First Name:			
Address: Phone:			
Alleged Source	ce		
Name:	MURPHY OIL DRILLING SITE		
Address:	WESTERN AVE AND W. ADAMS BLV	D, LOS ANGELES, CA 90018 (Sector WG)	
Actual Source			
Name:	SUNK		
Address:	29TH PL, LOS ANGELES, CA 90018	Sector WG)	
Facility TS:			
Disposition	PAST on 2/16/2021 13:48:37		
Inspector Con	nment		
2/16/21 0910hrs	ancar		
	back, left VM with contact info req	uesting a call back.	
the odor around a observed indoors Rule 402 for pub	approximately 0130hrs in the night/e s, complainant believed odor entered lic nuisance and its applicability to t	a chemical odor that was somewhat "skunky" (4/5). Complainant observe arly morning of 2/13/21, the odor was gone by the morning. Odor was their residence through open windows. I informed the complainant of our hese situations, I also gave the complainant some background information complaints. Complainant expressed their gratitude for following up.	r
Report complete	d by J. Greaney on 2/16/21		
Reviewed by J. I	Liaw 4/13/21		
INICHECTOR.		DATE:	
INSPECTOR: s	ignature	DAI E.	
SUPERVISOR:		DATE:	
	ignature		
_			

User ID:

jgreaney

Page 1 of 1

Complaint 3	19410		Run Date: 7/28/2021 12:11:08
Receive By: Assign By: Dispatch On: Team:	WEB on 2/13/2021 09:50:44 jliaw on 2/16/2021 07:41:34 2/16/2021	Assignment No Inspector: Instruction:	
Type:	Z ODORS		
Inspection Date	2/16/2021 00:00:00		
Description:	REALLY STRONG CHEMICAL SMELL THA AND WINDOWS WERE ALL CLOSED SO	T MADE IT INSIDE MY IT WAS VERY CONCEI	HOME. KIND OF LIKE BURNING PLASTIC. MY DOORS RNING HOW STRONG THE SMELL WAS.
Instance Start Dat	e: 02/13/2021 22:30	Instance End (Date: 02/13/2021 22:30
Complainant			
First Name:	Sufficient was time to stand		
Address: Phone:			
Alleged Sour	ce		
Name:	MURPHY DRILLING SITE ON WESTERN A	ND ADAM	
Address:	29 TH PLACE AND WESTERN, LOS ANGE	ELES, CA 90018 (Sector	rWG)
Actual Source	e		
Name:	SUNK		
Address: Facility TS:	29TH PL, LOS ANGELES, CA 90018 (Secto	or WG)	
Disposition	PAST on 2/16/2021 09:23:39		
Inspector Cor			
2/16/21 0910hrs	back, left VM with contact info requesting	ng a call back.	
its applicability to responds to after	o these situations, I also gave the complain hours complaints. Complainant expressed	I informed the comple	observed both inside & outside their residence ainant of our Rule 402 for public nuisance and d information on how South Coast AQMD allowing up.
Report completed	d by J. Greaney on 2/16/21		
Reviewed by J. L	iaw 4/13/21		
NSPECTOR: sig	nature	DATE:	
UPERVISOR:	nature	DATE:	

Page 1 of 1

User ID:

jgreaney



1608 Norris Road • Bakersfield, CA 93308

Jarlath Greaney
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765

RE: Compliance with Notice to Comply No. E51096

Dear Mr. Greaney:

I am pleased to submit this Specific Cause Analysis Report prepared for Notice to Comply No. E51096.

Background

On June 3, 2021, E&B Natural Resources Management Corporation (E&B) conducted well servicing at its Murphy facility located at 2126 W Adams Ave, Los Angeles, CA 90018. A workover rig and crew removed rods and tubing from Well M-23. In accordance with South Coast Air Quality Management District (SCAQMD) Rule 1148.1, a rubber grommet was used to remove excess fluid from the rods and tubing, and a plastic sheet was placed in the cellar to catch any oil that might have otherwise dropped into the cellar around M-23's wellhead.

The well was shut-in overnight, and servicing was completed the following day with the reinstallation of rods and tubing. There were no spills or leaks from the well during servicing, nor were there spills or leaks from any other equipment at the facility.

Murphy's fenceline monitors measured 0 ppm H2S, 0 ppm CO, and 0 ppm VOC throughout the two days of well servicing. The monitoring data is attached to this report.

While the fenceline monitors did not detect H2S or VOC, SCAQMD stated that the Murphy facility was the source of the odor described in the complaints that SCAQMD received on June 4, 2021. It is possible that the servicing of Well M-23 was the cause of the odor detected by SCAQMD. All other equipment was operating normally.

Corrective Action

E&B has purchased and installed an aromatic diffuser system to mitigate any future odors that might occur, and has put a procedure in place to ensure that the odor control system is activated for the entire duration of all future well servicing work at the Murphy facility.

Should you have any questions or desire additional information, please do not hesitate to contact me at (562) 522-5016.

Sincerely.

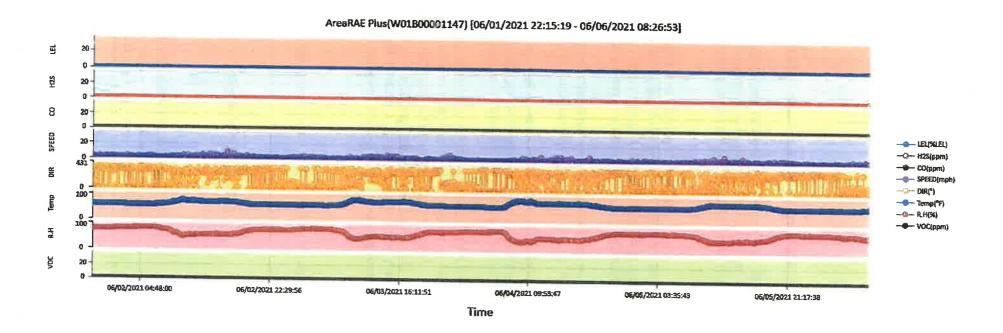
Christopher Hassler

Unitaget & Hach

Environmental Coordinator

California • Kansas • Louisiana • Wyoming

Bus: (661) 387-8500 • www.ebresources.com • Fax: (661) 387-8690





		Hazardo	us Materials .	And Waste	s Inventor	y Matrix	Report		247.0	
ERS Business/Org. acility Name	E&B Natural Resources-LA Basin Murphy 2126 W Adams Blvd, Los Angeles 90018			Chemical Loca PSA Abso				Facility ID	10398883 FA0032550 Submitted on 2/4	/2021 10:50 AM
OT Code/Fire Haz. O	Class Common Name	Unit	Max. Daily	Quantities Largest Cont.	Avg. Daily	Annual Waste Amount	Federal Hazard Categories	Ha	eardous Component For mixture only) % Wt	
	NGP-150 Oil CAS No	Liquid S Type	165 Storage Container Steel Drum Days on Site: 365	55	2 Pressue Ambient Temperature Ambient		- Health Skin Corrosion e_ Irritation	1,2 Benzenedicarboxylic -c11 branched alkyl este 2,5-bis(n-octyldithio)-1,3 thiadiazole	acid di-c9 5 % r	68515-49-1 13539-13-4
	Odor Counteractant CAS No	- HINIMINIMI	110 torage Container Plastic/Non-metali	55 ic Drum	2 Pressue Ambient Temperature Ambient	Waste Code	- Physical - Flammable - Health Serious Eye Damage Eye Irritation	2-propanol 4-nonylphenol, branched ethoxylated	d,	67-63-0 127087-87-0
	4U Degreaser CAS No	Liquid F Type	55 torage Container Plastic/Non-metali Days on Site: 365	55 ic Drum	10 Pressue Ambient Temperature Ambient	Waste Code	- Health Skin Corrosion Irritation - Health Serious Eye Damage Eye Irritation			

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

December 22, 2021

E & B Natural Resources (Op) 1608 Norris Road Bakersfield, CA 93308 Attention: Ted Cordova

CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI MAYOR

LOS ANGELES DEPARTMENT OF CITY PLANNING **EXECUTIVE OFFICES**

VINCENT P. BERTONI, AICP DIRECTOR

SHANA M.M. BONSTIN DEPUTY DIRECTOR

ARTHIL. VARMA, AICP DEPUTY DIRECTOR

LISA M. WEBBER, AICP DEPUTY DIRECTOR

planning.lacity.org

CASE NO. ZA-15227-O-PA6 LETTER OF COMMUNICATION 2126 West Adams Boulevard South Los Angeles Community Plan

Zone: [Q] R4-1-O-HPOZ

D.M.: 123B193

C.D: 10

Legal Description: Lot A, P M 1641

Mr. Cordova.

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The Department of City Planning was informed of activities and work practices at the Murphy Drill Site that merit further inquiry. The Department requests that E&B Natural Resources provide more information concerning drill site operations, including well maintenance work.

Recent Operations at the Drill Site

The Department of City Planning (DCP) was provided with photographic evidence, chronological timelines, and detailed accounts of specific drill site operations.

In the recently submitted plan approval application for the Murphy Drill Site, ZA-15227-O-PA6, there is a compliance report that references odor counteract information, the drill site's operations and staff supervision protocol. The Conditions of Approval outlined in ZA-15227-O-PA4 identify rules for odors and noises as outlined in LAMC 13.01-F.18. Based on correspondence received, see Attachment A the Department has questions regarding some maintenance conducted on a well at the drill site. LAMC Section 13.01-H regulates drilling, deepening, and well maintenance of wells at controlled drill sites.

First, it appears that E&B Natural Resources has begun using a diffuser and odor counteractant to mask odors that arise from the well operations. In an undated letter of correspondence from Environmental Coordinator, Christopher Hassler, to a South Coast AQMD inspector, Mr. Hassler confirms that the operation will begin using an aromatic diffuser system to mask future odors. Our office verified this information with documents provided by the operator in their ZA-15227-O-PA6 Hazardous Materials and Wastes Inventory Matrix Report (page 8 of 9 on the California Electronic Reporting Systems disclosure).

Second, our office obtained confirmation from the State Department of Public Health that recent well maintenance work used radioactive materials for servicing. Our office also received copies of California Highway Patrol citations that were issued to the third-party firms contracted by E&B Natural Resources to perform the well maintenance involving radioactive materials.

Lastly, our office was informed that drill site personnel employed in the facility's third shift hours have been leaving the property unattended during the late hours of the evening through the hours of the early morning. We have learned that this has occurred on specific dates and times earlier this year. In a condition compliance report submitted with the recently filed ZA-15227-O-PA6, the operator states that the site is staffed 24 hours a day, 7 days a week.

Instructions to Drill Site Operator

The Department City Planning requests that E&B Natural Resources provide an explanation corresponding to the aforementioned subjects:

- 1. Please provide the exact names of all odor counteractants used at the drill site. Explain the use of specific odor counteractants and the frequency of their use at the drill site. Please address if there are non-toxic odor counteractants that do not contain hazardous elements that would be available for use at the site.
- 2. Describe the scope of work involving the radioactive materials used by Production Data Inc for well maintenance servicing, including the well(s) involved and the purpose of using radioactive elements. Please share all permits obtained for this scope of work from related agencies, if applicable. Also, please provide an explanation on E&B Natural Resources's third-party contracting process and accountability measures for work conducted on the property ultimately leased to E&B Natural Resources.

3. Please detail company duties and responsibilities for third shift personnel. Outline the steps taken by the operator to prevent third shift personnel from further leaving the site unattended. Please explain why you have staff on site 24 hours a day and why it is important that those staff remain on site during their assigned work hours.

The Department requests a response within 30 calendar days from when this letter is dated. If you have any questions regarding this matter, please contact the Office of Zoning Administration. Initial communication should be directed to Edber Macedo at (213) 978-1198 or at edber.macedo@lacity.org.

ESTINEH MAILIAN
Chief Zoning Administrator

EM:VS:ecm

Cc: Karly Katona, Tenth Council District
Jennifer Tobkin, Office of the City Attorney
Chief James Holland, Los Angeles Fire Department
John Biezins, Inspection Bureau Chief, Department of Building and Safety
Erica Blyther, Office of Petroleum and Natural Gas Administration and Safety
Roman Catholic Archdiocese of Los Angeles, Property Owner
Richard Parks, Redeemer Community Partnership

Attachments: A) Letter from Redeemer Community Partnership to DCP, dated 10/15/2021

- B) Page 11 from Hazardous Materials Business Plan Murphy Drill Site
- C) Letter from E&B Natural Resources to South Coast AQMD, undated
- D) Public Records from CA Department of Public Health Radiological Health
- E) Letter from Redeemer Community Partnership to DCP, dated 10/29/2021

ATTACHMENT A



October 15, 2021

Mr. Vince Bertoni, Planning Director Department of City Planning City of Los Angeles 200 N Spring St., 5th Floor Los Angeles, CA 90012

Dear Mr. Bertoni,

Information illuminating E&B Natural Resources' (E&B) troubled operation of the Murphy Drill Site (MDS) at 2126 W. Adams Blvd. continues to come to light. This letter addresses E&B's:

- failure to maintain a 24/7 on-site security and emergency response presence,
- use of an unpermitted truck to transport and deploy radioactive isotopes,
- failure to keep site equipment permitted,
- use of a health-harming odor counteractant, and
- construction of high-pressure fossil gas infrastructure to import and burn methane

E&B Leaves Drill Site Unattended

E&B submitted two PA6 application documents representing to the Office of Zoning Administration (OZA) that the Murphy Drill Site always has personnel on site. The Environmental Assessment Form for Oil Form 7832 states that the MDS' security measures include a "guarded gate" and "24 hour on site personnel". E&B made similar representations in its 2020 Spill Prevention, Control, and Countermeasure Plan. However, over the last several months residents have documented E&B's night watchmen leaving the Murphy Drill Site unattended for extended periods.

On Monday, September 27, 2021, the night watchman left the drill for more than 90 minutes. Red emergency-type lights began flashing across the drill site upon his first departure at 9:14pm (see Photo 1). When he returned 72 minutes later at 10:26pm the bed of his truck was filled with electric scooters (see Photo 2). The flashing red lights were extinguished following his return. Several hours later at 1:27am E&B's watchman left the drill site again with a truck full of presumably charged scooters. It appears he redistributed them across the city before returning with an empty truck bed at 1:45am.

This pattern continued throughout the week. On Saturday, October 2, 2021, the watchman left the drill site at 8:36pm with an empty truck bed and returned 84 minutes later with a load of scooters. He left the drill site again a few hours later at 12:45am with scooters and returned 50 minutes later at 1:35am without them. The watchman was missing from the drill site for more than two hours.

On Sunday, October 3 the night watchman left the drill site unattended for almost three hours over the course of three trips off-site. Rotating red lights, like those on emergency vehicles, flashed during one of his absences and were turned off upon his return.

This egregious and dangerous behavior is not limited to one individual over the course of a week. We have meticulously documented various night watchmen leaving the drill site after dark over a period of several months.

On Wednesday, October 6, the United Neighborhoods Neighborhood Council Planning and Zoning Committee held a public hearing to consider E&B's PA6 application. Mr. Louis Zylstra, E&B senior vice president, was present along with Ted Cordova, director of public and government affairs. Redeemer Community Partnership presented evidence of the night watchmen leaving the drill site for extended periods of time. Mr. Zylstra responded, "People don't leave the site. That site is covered 24 hours." The following evening on Thursday, October 7, the night watchman again left the drill site unattended—twice.

E&B's executive leadership is asleep at the wheel of a hazardous industrial operation embedded in a densely populated urban neighborhood of schools, apartments, high-rise retirement communities, medical facilities, and homes. E&B is telling the City who they are. The City has a duty to believe them.

California Highway Patrol Findings

Earlier this year residents documented an unpermitted well-testing truck transporting and deploying radioactive isotopes at the Murphy Drill Site. The truck was reported to the California Highway Patrol (CHP). A CHP investigation determined that the well testing company hired by E&B had operated this truck without:

- a valid CA Number since July 25, 2019,
- a USDOT Number, and
- an active Motor Carrier Permit (MCP). In fact, its MCP had been expired for several years.

The CHP report noted, "It is unlawful to operate on the highway without first obtaining a MCP Permit" (see Appendix 1). The CHP's investigation led to the discovery of other problems at the operator's terminal in Bakersfield, including:

- Carrier did not maintain records of different types of vehicle combinations each driver is capable of safely driving on a highway unsupervised.
- Carrier failed to document 90-day safety inspections for vehicles.
- Carrier failed to properly maintain vehicles. One vehicle was placed Out-of-Service and cited for a violation due to broken leaves in its leaf spring assembly suspension.

The CHP also determined that the type of radioactive isotopes used at the drill site did not require vehicle placards. The California Department of Public Health Radiologic Health Branch, provided a fuller description of the MDS activity and the radioactive material used. "They were hired to log the well- via a specialized sprayer, that was loaded with a radioactive tracer (0.5 millicuries of liquid iodine 131) which was placed directly into the top of the wellbore."

Residents without any motor carrier expertise recognized and immediately confirmed a problem with the truck's registration both online and in a call with the CHP Motor Carrier Unit in Sacramento. Did E&B fail to see a problem, or did they know they were hiring a company that cut regulatory corners to transport and deploy radioactive isotopes?

E&B's senior management continues to show the City that they provide insufficient oversight of the drill site. Whether that is due to incompetence, insouciance or some other shortcoming is immaterial. The company does not avoid responsibility by hiding behind contractors that it hires, oversees, and allows to operate on its lease.

Expired Pressure Vessel Permits

E&B submitted voided and expired Pressure Vessel Permits as part of its PA6 application.

Improperly operated or maintained pressure vessels can fail catastrophically, kill and injure workers and others, and cause extensive damage even if the contents are benign. Therefore, the Los Angeles Department of Building and Safety maintains a Pressure Vessel Unit to oversee inspections and permits.

Pressure vessel permits, like most permits, become void upon a transfer of ownership. The permits submitted by E&B for its PA6 application on July 30, 2021, were in the name of the previous operator, Sentinel Peak Resources. The permits submitted also had an expiration date of June 19, 2021.

On September 23, 2021, inspectors from the Los Angeles Department of Building and Safety (LADBS) Elevator and Pressure Vessel Unit confirmed by phone that E&B's pressure vessel permits were expired and voided by the change of ownership. An LADBS Pressure Vessel Unit inspector went to the drill site that morning to inspect the vessels and worked with the operator to renew the permits. The inspector decided not to issue a Notice of Violation because once caught, E&B was compliant. The inspector noted that the record would show the lack of permit continuity.

Residents identified the permit problem and instigated a resolution in the span of a morning. The quick resolution indicates that E&B's senior management could have cured these violations on their own prior to submitting their PA6 application. Whether E&B's senior management failed to recognize the problem or chose to ignore it is again immaterial. The failure to keep its operations properly permitted shows the City a lack of competency or will to safely operate a hazardous industrial complex in a dense, residential community.

Odor Counteractant

On June 4, 2021, the South Coast Air Quality Management District (SCAQMD) received four odor complaints that were then confirmed by an SCAQMD inspector. The inspector issued Notice to Comply E51096 for E&B to "Conduct a specific cause analysis for the 6/4/2021 confirmed odor event and submit the specific cause analysis report as required by rule 1148.1 (f)." E&B submitted its Cause Analysis Report on July 21, 2021, noting:

"E&B has purchased and installed an aromatic diffuser system to mitigate any future odors that might occur, and has put a procedure in place to ensure that the odor control system is activated for the entire duration of all future well servicing work at the Murphy facility."

Residents have photographed what appears to be a nebulizing diffuser capable of dispersing nanoparticles of odor counteractants. It is located by the west wall just 50' from the AIDS Healthcare Foundation's medical clinic (see Photos 4 and 5). Acid yellow liquid from the diffuser can be seen pulsing into clear tubing E&B has strung on the wall (see Photo 6). At times a strong soapy smell hangs in the air where none previously existed.

South Coast Air Quality Management District inspectors sometimes encourage oil companies to use odor counteractants to reduce the number of 800-CUT-SMOG calls that they must respond to. However, odor counteractants only mask the stench of petroleum and the rotten egg smell of extremely hazardous hydrogen sulfide gas. Generally, odor counteractants accomplish this with a powerful and highly toxic class of chemicals called Endocrine Disruptors. These chemicals disrupt reproductive health and fertility across generations.

E&B's PA6 filing discloses the use of an "Odor Counteractant" and provides its CAS Numbers, a unique identifier for each chemical. E&B's Odor Counteractant is filled with Endocrine Disruptors that come with chilling warnings.

"Reproductive Harm – Can disrupt the male or female reproductive systems, changing sexual development, behavior or functions, decreasing fertility, or resulting in loss of the fetus during pregnancy.

Birth Defects – Can cause harm to the developing child including birth defects, low birth weight and biological or behavioral problems that appear as the child grows."¹

It would appear that E&B has a plan for our children, and it is not to give them hope and a future.

LAMC 13.01 Subsection F Condition 18 prohibits harm or injury from operations when better methods are available. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

Therefore, we request the Office of Zoning Administration to obtain the trade name, manufacturer, and Safety Data Sheets for all odor counteractants used at the drill site as well as a complete and transparent explanation for how and where E&B is using these odor counteractants. This information is essential to assessing whether E&B complies with Condition 18's prohibition of harmful or annoying substances which can be eliminated or diminished using greater care or technological improvements in methods.

¹ "Polyethylene Glycol Mono(Branched P-Nonylphenyl) Ether." ChemHAT, https://chemhat.org/en/material/2013092.

Fossil Gas Power Generation

Earlier this year Redeemer Community Partnership brought to the Planning Department's attention E&B's plan to install a high-pressure gas main to buy methane from SoCalGas and burn it in turbines to power the drill site. Recent Department of Building and Safety permits indicate that this plan is nearly complete.

It is important to remember that the City never formally approved microturbine permits to burn waste gas at the Murphy Drill Site. Instead, the operator installed the microturbines and then spent years trying to slip them into planning documents by reference.

This avoided OZA consideration of their health impacts and the availability of less harmful alternatives like reinjecting gas back into the oil field. It appears the operator decided to install the microturbines without permission and apologize if it got caught. It need not have worried.

When the City discovered the conflict between unpermitted microturbines and Condition 43 requiring electric power only and prohibiting onsite power generation, it simply removed Condition 43, an important health protection for residents.

It was not the City's responsibility to solve the operator's off-spec waste gas problem, particularly when the solution harmed the health of children. However, the removal of Condition 43 had a terrible and probably unforeseen consequence.

While removing Condition 43 opened the door to burning waste gas, E&B is now driving a battering ram through this opening by installing a high-pressure gas line to import and burn fossil gas to power the drill site.

CalEnviroScreen scores represent a combined measure of pollution and the potential vulnerability of a population to the effects of pollution. The neighborhood around the Murphy Drill Site ranks in the 95th percentile of disadvantaged communities in California according to CalEnviroScreen 4.0.

While the City has removed Condition 43 protection from South LA, it has kept the condition in wealthier, whiter, West LA drill sites. For example, the Packard, San Vicente, and West Pico drill sites all maintain Condition 43.

E&B's efforts to import and burn gas to generate electricity contravene the Municipal Code. It is clearly inconsistent with LAMC 13.01 Subsection F Condition 18 which prohibits harm or injury from operations when better methods are available. Better methods, such as reinjecting waste gas and powering the drill site using an existing LADWP connection, are readily available.

Burning imported gas will release substantial amounts of CO2 per year and even more health-harming air pollutants. Therefore, we urge the Office of Zoning Administration to protect public health by reimposing Condition 43 in the upcoming review of conditions.

Conclusion

Even if E&B was an exemplary oil company, a large and growing body of research underscores the fundamental incompatibility of oil drilling in residential neighborhoods. Research specific to the Murphy Drill Site shows that its operating conditions fail to protect the health and safety of children and their families. Furthermore, a review of conditions at drill sites in wealthier, whiter, West LA neighborhoods shows that the City has afforded far fewer protections to South LA residents, even though this community is more disadvantaged and impacted by pollution. The effects of this systemic and decades-long discrimination must be redressed. A modernization of the Murphy Drill Site's operating conditions to protect vulnerable children and families is decades overdue.

However, the OZA must recognize that E&B is not exemplary. Rather, E&B's senior management continues to show the City who they are. They appear unwilling or unable to comply with their operating conditions and other regulatory statutes. They have repeatedly failed to identify and address violations that are obvious to laypersons. They have denied and turned a blind eye to serious operational failures even after they were brought to their attention. They have prioritized their wealth over public health, making decisions without regard to the well-being and safety of children and families living adjacent to their operations.

A clear-eyed view of E&B's compliance failures coupled with the inordinate risks to residents, workers, and first responders underscores the need for a fail-safe solution; one that can only be achieved by revoking the operator's conditional land use permit.

We are grateful for your careful consideration of this matter.

Jahand Sonks

Kind regards,

Richard Parks

President

Estineh Mailian, Chief Zoning Administrator, estineh.mailian@lacity.org

Jennifer Tobkin, Deputy City Attorney, jennifer.tobkin@lacity.org

Edber Macedo, City Planning Associate, edber.macedo@lacity.org

Photos



Photo 1: Flashing red lights were triggered at the Murphy Drill Site on September 27, 2021, as the night watchman's vehicle exited the drill site. They continued flashing until just after his return more than 90 minutes later.



Photo 2: The night watchman returns to the drill site with a load of electric scooters on September 27, 2021.



Photo 3: An unpermitted well-testing truck parked under E&B's surveillance camera on March 25, 2021.

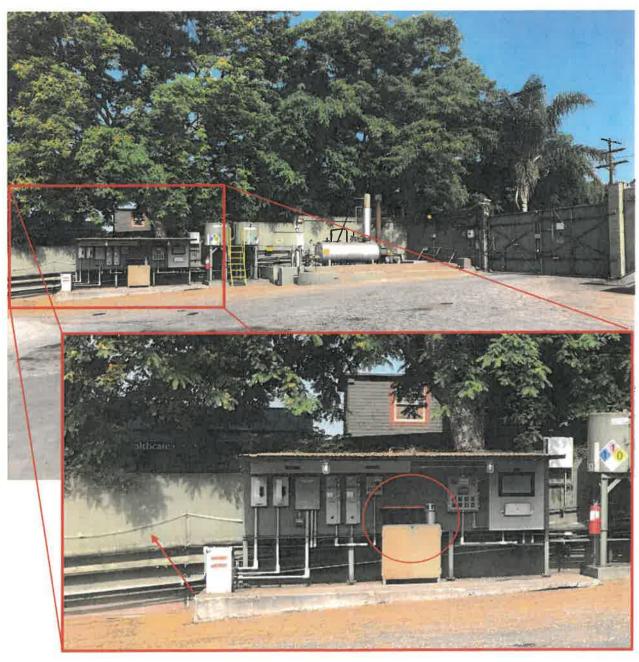


Photo 4: An enlargement of "Photo 4" submitted by E&B as part of its PA6 application shows what appears to be a silver diffuser sitting on a cabinet next to a black bin with a red lid. A clear plastic tube runs along the wall from the silver device. The AIDS Healthcare Foundation's medical clinic is visible in the background just above the wall.

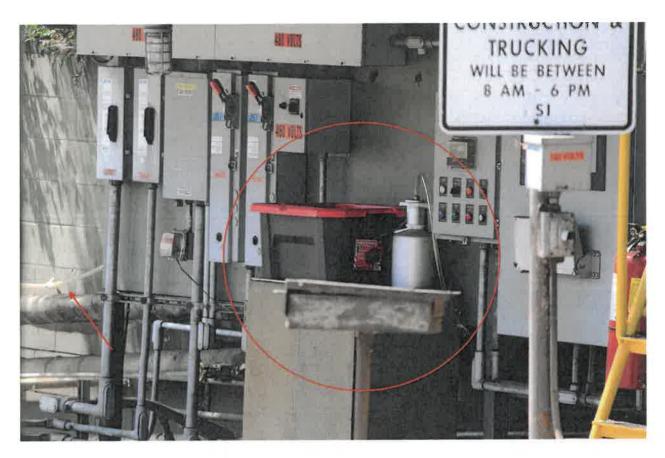


Photo 5: The silver device appears to be a diffuser for dispersing odor counteractant. A clear plastic tube emerges from the top, runs under the shelter and then along the wall shared with the AIDS Healthcare Foundation. The device appears to be connected to the black plastic bin by a white tube.



Photo 6: Clear tubing strung along the shared wall with the AIDS Healthcare Foundation, pulses with acid-yellow liquid from what appears to be an odor counteractant diffuser.

MOTOR CARRIER S COMPLAINT AGAIN	CLANAV CATOO			
		COMPLAINT RECE	annua _ grand _ re-	DATE RECEIVED
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CHP 356 (New 11-95) OPI C		Michael Jarre		
		COMPL	AMANT	
NAME				TELEPHONE NUMBER, (INCLUDE AREA CODE)
ADDRESS (INCLUDE STREET NUM	IBER, CITY, STATE ZIP GODE)			
CONFIDENTIALITY REQUESTED	MILLIPE LILE		COMPLAINANT REQUESTS NOTICE O	OF FINIONIGS
YES	□ NO	☑ YES		□NO
		CARRIER IN	FORMATION	
NAME				TELEPHONE NUMBER, (INCLUDE AREA CODE)
Production Data Inc ADDRESS (INCLUDE STREET NUM	IDED CITY STATE THE CORE			(661) 327-4776
1210 33rd St Bakersfield				
CA NUMBER	1, CH 23303		FCN	pro-model State of the
152,861			177,173	
		COMPLAINT A	LLEGATION(5)	
Improper equipment ma	aintenance		Unsafe operation of vehicle	es by drivers
Carrier requiring the ope	eration of unsafe vehicles		mproper shipment/handlin	ng of hazardous materials
Excessive hours of open	ration by drivers		☑ Other	
MCS I ASSIGNED				SUSPENSE DATE
	MANAGORIAN ANNAMAN MANAGORIAN MANAGORIAN MANAGORIAN MANAGORIAN MANAGORIAN MANAGORIAN MANAGORIAN MANAGORIAN MAN	PINTENZS	NO REVIEW	SUSPENSE DATE 5-28-21
S, Saldana	[7] Systained		ND REVIEW	
S, Saldana Unfounded CONCLUSION/RECOMMENDATION			Undetermined	5-28-21
S, Saldana [/] Unfounded CONCLUSION/RECOMMENDATIONS Radioactive Material alle non-special form, non fis license. Carrier stated sig required to be placed at e Allegation complaint with after CVS inactivated car DOT number. Carrier wa	egation complaint investigation sile or fissile-excepted (7) Yell in front of vehicle on 03/18/2 every job site. The carriers operating authority were completed in the carriers operating authority were completed.	was unfounded ow II which do 2021 at 2126 We was sustained. Co to locate DOT OOT number pri	Undetermined Carrier transports UN2915 es not require vehicles to be est Adams BLVD, Los Ang arrier was operating with ar number, expired Motor Car or to conduct a Terminal in	5 Radioactive Material, Type A package placard or to have Hazardous Materials eles, CA 90018 was a job site sign which is inactive CA number as of July 25, 2019 rrier Permit since August 1, 2008 and no spection and to apply for a Motor Carrier

CHP ID: _A14358

DEPARTMENT OF CALIFORNIA HIGHWAY PATROL

Central Division Commercial Unit 5435 East Olive Ave. Fresno, CA 93727-2541 (559) 453-3130 (559) 452-1251 FAX

Date: 05/11/2021



Motor Carrier of Property Permit

Carrier Name: Production Data Inc.
Our records indicate that your CHP Motor Carrier CA #152861 revealed the following:
Your Motor Carrier Permit is not valid with the Department of Motor Vehicles - Motor Carrier Permit Program, pursuant to Assembly Bill 1683 the Motor Carrier Safety Improvement Act of 1996. All Intrastate Motor Carriers are required to obtain a Motor Carrier of Property Permit prior to operation of a commercial vehicle on a public highway in California.
REMINDER: THE CA NUMBER IS THE CARRIER IDENTIFICATION ONLY! IT IS NOT THE ACTUAL MOTOR CARRIER OF PROPERTY PERMIT
This letter is to inform you that your Motor Carrier Permit is not valid. This permit is your operating authority. ON HIGHWAY OPERATION WITHOUT THIS PERMIT MAY RESULT IN CITATIONS AND THE IMPOUNDING OF YOUR VEHICLES. . The California Highway Patrol (CHP) has exclusive jurisdiction for the safety oversight of motor carriers of property, and will also assist DMV to ensure compliance with liability insurance requirements. It is unlawful to operate on the highway without first obtaining a MCP Permit. Failure to comply with the MCP Permit requirements will result in prosecution. If your operations are solely on an interstate basis (loads going from one state or country to another) you are exempt from this program.
You may contact the Department of Motor Vehicles at (916) 657-8153 or FAX (916) 657-6803. Applications may be downloaded on the Internet at: www.dmv.ca.gov/forms/mcp/06app.pdf .
Your Motor Carrier Permit is not valid for the following reasons: No Motor Carrier Permit on file with D.M.V. MCP Permit expired on 08/01 2008 Other: □ B.I.T. fees or enrollment required □ B.I.T. fees due / overdue Pending per D.M.V., Permit is Suspended Effective Date: for lapse in: □ Liability Coverage □ Worker's Compensation Coverage
Please submit the following documents to DMV: Motor Carrier Permit Application DMV 706 or DMV Renewal Application DMV MCP 65 - Liability Insurance DMV MCP 65 for Worker's Compensation Coverage, State Fund Electronic Filing, or a qualified exemption. Fees Due Motor Carrier Representative: Daniel Heck Print Signature

Safety, Service, and Security

An Internationally Accredited Agency

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DRIVER RECORDS DRIVER HOURS		No. 3	ATERIALS			CONTAINE	RS/TANKS	0 1.4 VEHICLES PLACE	ED OUT-OF-SEP		7.0
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California Highway Patrol

US DOT#

3623777

Legal: PRODUCTION DATA INC

Operating (DBA):

MC/MX #:

State #: 152861

Federal Tax ID

Scope:

Review Type: Non-ratable Review - Special Study

Cargo Tank:

Location of Review/Audit: Company facility in the U.S.

Territory: D

Terminal Operation Types Interstate Intrastate

> Carrier: Shipper:

N/A

Non-HM

N/A N/A

N/A

Business: Corporation **Gross Revenue:**

for year ending:

Company Physical Address:

1210 33RD ST

BAKERSFIELD, CA 93301-2124

Contact Name:

Daniel Heck

Phone numbers: (1) 661- 327-4776

Fax 661-327-3799 (2) 661-343-6617

E-Mail Address:

daniel@productiondatainc.com

Company Mailing Address:

1210 33RD ST

BAKERSFIELD, CA 93301-2124

Other: Inrastate

Carrier Classification

Cargo Classification

General Freight

Equipment

Owned Term Leased Trip Leased

Owned Term Leased Trip Leased

Truck

Power units used in the U.S.:6

Percentage of time used in the U.S.: 100

Inter

Does carrier transport placardable quantities of HM? No

Is an HM Permit required?

NA

Driver Information

< 100 Miles:

>= 100 Miles:

Intra 6

Average trip leased drivers/month: 0

Total Drivers: 6

CDL Drivers: 6

1279



U.S. DOT #: 3623777

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Review Date 05/11/2021

State #: 152861

Part A

QUESTIONS regarding this report may be directed to the Central Division Motor Carriers Safety Unit at:

> 5435 East Olive Avenue Fresno, California 93727 559-453-3130

> > This TERMINAL REVIEW deals only with safety compliance at this terminal.

Person(s) Interviewed

Name: Daniel Heck

Name:

Title: Chief Operations Officer

Title: Superintend

1

5/11/2021 3:30:44 PM



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U.S. DOT #: 3623777

State #: 152861

Review Date 05/11/2021

Part B Violations

1 STATE	Primary: 13CCR1234(b)	Discovered	Checked	Drivers/V In Violation	ehicles Checked
	CFR Equivalent: 391.25(b)	1	6	6	6

Description

Carrier does not maintain records of different types of vehicle combinations each driver is capable of driving putsuant to 13 **CCR 1229**

Example

Carrier failed to maintain a proficiency record of the different types of vehicles a driver operating on a highway unsupervised.

s capable of safely

See part C for additional information.

2	Primary: 34620(a)CVC	T		Drivers/Vehicles	
STATE		Discovered	Checked	In Violation	Checked
	CFR Equivalent: 392.9a(a)	1	1	1	1

Description

Motor Carrier of Property operating without the required Motor Carrier of Property Permit.

Example

Carrier is operating with an expired Motor Carrier Permit as of 08/01/2018. Evidence of carrier operating was obtained after reviewing driver's timekeeping records.

3	Primary: 34505.5(c)			Drivers/V	ehicles
STATE	,	Discovered	Checked	In Violation	Checked
	CFR Equivalent: 396.17(a)	1	24	3	3

Description

Carrier does not keep adequate records of inspections conducted pursuant to 34505.5(a) VC

Carrier fails to document 90-day safety inspections for vehicles subject to VC 34500 (j) on vehicle equipment number L16. Verified operation on a public roadway via driver's timekeeping records.

See part C for additional information

Safety Fitness Rating Information:		OOS Vehicle (CR): 1
Total Miles Operated	450,001	Number of Vehicle Inspected (CR): 3
Recordable Accidents	0	OOS Vehicle (MCMIS): 0
		Number of Vehicles Inspected (MCMIS): 0

Your proposed safety rating is:

This Review is not Rated.

Page 1 of 1



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rminal

U.S. DOT#: 3623777

State #: 152861

Review Date 05/11/2021

Part B Requirements and/or Recommendations

- 1. As a result of violation(s) noted during this inspection the motor carrier is directed to comply with the following:
- 2. Maintain a record of different types of vehicles and vehicle combinations a driver is capable of safely operating on a highway unsupervised
- 3. Obtain a Motor Carrier of Property permit from the Department of Motor Vehicles.
- 4. Perform a periodic safety inspection to each vehicle at least every 90 days and records of required periodic on file for a minimum of two years at your designated terminal.
- 5. Forms and publications are available at the CHP internet website at: http://www.chp.ca.gov/publications/index.html

 Questions related to this inspection may be directed to the Central Division Motor Carrier Safety Unit Supervisor at

T. T

559-453-3130.



U.S. DOT #: 3623777

State #: 152861

Review Date 05/11/2021

Part C

Reason for Review: Other

Complaint Inspection

Planned Action:

Compliance Monitoring

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Parts Reviewed Certification:

392 395 396 397 398 399 171 172 173 177 178 180 325 382 383 387 390 391 393

Prior Reviews

Prior Prosecutions

Reason not Rated: Special Study

Study Code: CA

Unsat/Unfit Information

Is the motor carrier of passengers subject to the safety fitness procedures contained in 49 CFR part 385 subpart A, AND does it transport passengers in a commercial motor vehicle?

Does carrier transport placardable quantities of hazardous materials?

Unsat/Unfit rule:

Not Applicable

Corporate Contact: Daniel Heck

Special Study Information:

Corporate Contact Title: Chief Operations Officer

Remarks:

Terminal Name: Production Data Inc. CA # - 152661

Terminal Address: 1210 33rd. St. Bakersfield, CA 93301 FCN - 177173

Rating Information:

In accordance with 13 CCR 1233, this terminal has been rated Satisfactory at this time.

Drivers Proficiency forms were provided to assist carrier at closed of terminal inspection.

DRIVER RECORDS VIOLATIONS:

13CCR 1234(b) - Carrier failed to maintain a proficiency record of the different types of vehicles a driver is capable of safety operating on a highway unsupervised for following the drivers; and

MAINTENANCE PROGRAM VIOLATIONS:

34505.5(c) VC - Carrier fails to document 90 day safety inspections for vehicles subject to VC 34500 (j) on the following vehicle equipment numbers: L19 and L20, verified operation on a public roadway via driver's timekeeping records.

13 CCR 1230(a) - The vehicle listed below has been placed Out-of-Service during a Terminal inspection. This vehicle may be returned to highway service only after proper repair of the out-of-service condition.

TYPE:

VEHICLE LICENSE:

UNIT NO:

REASON:

Truck

8637G1 / CA

L16

Suspension Violation

The Out-of-Service violation discovered on vehicle number L16 during a Terminal Inspections was used as part of the inspection sample and is not included in the calculation of this rating because of the vehicle was not long standing in nature and could have reasonably occurred in between the carrier's periodic maintenance inspection intervals.





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U.S. DOT #: 3623777

State #: 152861

Review Date 05/11/2021

Part C

Distracted Driving Reminder: California Vehicle Code Sections 23123(a), 23123.5, and 23124(a), govern cellular telephone use and texting while driving. Use of handheld cellular telephones and texting while driving is prohibited. Persons under 18 years of age are prohibited from using cellular telephones while driving.

Upload Authorized:

Yes

No

Authorized by:

Yes

Date: Failure Code:

No F

Uploaded: Verified by:

Date:





State:

State:



California Highway Patrol

5435 E. Olive Ave. Fresno, CA 93727 Phone: (559) 453-3130

Internationally Accredited Agency CHP407F/343A

Report Number: CANB2U001062 Inspection Date: 05/11/2021

HM Inspection Type: None

Start: 7:47 AM PT End: 8:39 AM PT Inspection Level: V - Terminal

PRODUCTION DATA INC.

1210 33RD ST BAKERSFIELD, CA, 93385

Phone#: (661)327-4776

Date of Birth:

USDOT: 3623777

CoDriver: License#:

License#:

MC/MX#: State#: 152861 Fax#:

Date of Birth:

Milepost: Shipper: N/A

Highway:

County: KERN

Location: 1210 33 RD ST BAKERSFIELD

Origin: BAKERSFIELD.CA Destination: BAKERSFIELD,CA Bill of Lading: N/A Cargo: EMPTY

VEHICLE IDENTIFICATION

Unit Type Make Year State Plate
1 TR INTL 2015 CA 59706U2

Equipment ID L19

VIN 3HAMMAAL8FL513198 25999

GVWR CVSA Existing

CVSA# 29781730

BRAKE ADJUSTMENTS

Axle# 1 Right 1 1/4 1 1/2

1 1/4 1 1/2 Left Chamber L-20 L-30

VIOLATIONS: No violations were discovered

HazMat: No HM transported

Placard:

Cargo Tank:

Special Checks: No data for special checks

State Information:

Odometer: 133015; File Code Number: 177173; Fuel Type: D; Beat/Sub Area: 420; Regulated Vehicle: N; Pre-Cleared

Vehicle: N; Veh #1 Type: 26

AND THE RESERVE OF THE PERSON NAMED IN COLUMN TWO IN COLUM

Report Prepared By: S. Saldana

ID/Badge #: A14358

Copy Received By:

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Page 1 of 1



California Highway Patrol

5435 E. Olive Ave. Fresno, CA 93727 Phone: (559) 453-3130

Internationally Accredited Agency CHP407F/343A

Report Number: CANB2U001061 Inspection Date: 05/11/2021

Inspection Level: V - Terminal **HM Inspection Type:** None

PRODUCTION DATA INC.

1210 33RD ST

BAKERSFIELD, CA, 93385 **USDOT: 3623777**

MC/MX#: State#: 152861

County: KERN

Highway:

Phone#: (661)327-4776

Fax#:

Driver: License#:

> Date of Birth: CoDriver:

License#: Date of Birth:

Milepost:

Origin: BAKERSFIELD CA **Destination: BAKERSFIELD, CA** State:

State:

Shipper: N/A

Bill of Lading: N/A Cargo: EMPTY

VEHICLE IDENTIFICATION

Unit Type Make Year State
1 TR INTL 2009 CA **Plate** 8637G1

Location: 1210 33 RD ST BAKERSFIELD

Equipment ID L16

1HTMMAAL29H120727 25999

GVWR CVSA Existing

CVSA#

BRAKE ADJUSTMENTS Axle # 1

1 1/4 1 1/2 Right 1 1/4 1 1/2 Left L-20 Chamber L-30

VIOLATIONS

Section 1239 T-13 CCR/257

Type Unit OOS

Citation # VerifyCrash Violations Discovered

Leaf spring assembly has 25% or more of the leaves broken OOS violation-393.207C-Specify: Axle one left front, one of three leaf spring main wrap around

end is broken.

HazMat: No HM transported

Placard:

Cargo Tank:

Special Checks: No data for special checks

State Information:

Odometer: 208051; File Code Number: 177173; Beat/Sub Area: 420; Regulated Vehicle: N; Pre-Cleared Vehicle: N; Veh #1

Type: 26

I hereby declare each vehicle with a Y in the OOS column of the violation section of this report to be OUT-OF-SERVICE. No person shall operate such vehicle until all OUT-OF-SERVICE defects have been repaired and the vehicle has been restored to safe operating condition.

Pursuant to Section 24004 CVC, violations recorded on this SafetyNet Inspection Report must be corrected prior to redispatch. Violations marked out of service must be corrected before the vehicle is operated on the highway. For your convenience, KEEP THIS REPORT OR A COPY IN THE VEHICLE UNTIL ALL VIOLATIONS ARE CLEARED. This document should NOT be forwarded to the court for clearance procedures. DO NOT RETURN THIS FORM TO THE CALIFORNIA HIGHWAY PATROL.

Report Prepared By: S. Saldana

ID/Badge #:

A14358

Copy Received By:

1

03623777 CA CANB2U001061

Laver/VEHICLE EXAMINATION REPORT

Inspect 1.107.7282

State:

State:



California Highway Patrol 5435 E. Olive Ave.

Fresno, CA 93727 Phone: (559) 453-3130

Internationally Accredited Agency CHP407F/343A

Report Number: CANB2U001063 Inspection Date: 05/11/2021

Inspection Level: V - Terminal HM Inspection Type: None

PRODUCTION DATA INC.

1210 33RD ST

State#: 152861

County: KERN

Highway:

BAKERSFIELD, CA, 93385

USDOT: 3623777 MC/MX#:

Phone#: (661)327-4776

Fax#:

Driver: License#:

Date of Birth:

CoDriver:

License#:

Date of Birth:

Milepost: Shipper: N/A

Origin: BAKERSFIELD,CA **Destination: BAKERSFIELD, CA**

Bill of Lading: N/A Cargo: EMPTY

VEHICLE IDENTIFICATION

Unit Type Make Year State Plate
1 TR FRHT 2014 CA 9F20251

Location: 1210 33 RD ST BAKERSFIELD

Equipment ID L20

1FVACWDU4EHFX4290 26000

GVWR CVSA Existing

CVSA# 29781731

BRAKE ADJUSTMENTS

Axle# Right

Left

2 1 N/A N/A N/A N/A

HYDR HYDR Chamber

VIOLATIONS: No violations were discovered

HazMat: No HM transported

Placard:

Cargo Tank:

Special Checks: No data for special checks

State Information:

Odometer: 131746; File Code Number: 177173; Beat/Sub Area: 420; Regulated Vehicle: N; Pre-Cleared Vehicle: N; Veh #1

Type: 26

Report Prepared By: S. Saldana

ID/Badge #: A14358

Copy Received By:

 \boldsymbol{X}

03623777 CA CANB2U001063

ATTACHMENT B



ALIAUTIMENT D

		Hazardou	ıs Materials <i>i</i>	And Waste	s Inventory	/ Matrix	Report	苏 瓦里,夏季		
ERS Business/Org. Facility Name	E&B Natural Resources-LA Basin Murphy PSA Absorbers 2126 W Adams Blvd, Los Angeles 90018				CERS ID 10398883 Facility ID FA0032550 Status Submitted on 2/4/2021 10:50 AM					
OOT Code/Fire Haz. C	class Common Name	Unit	May Daily	Quantities	Aug Deilu	Annual Waste	Federal Hazard	(For n	us Componen nixture only) % Wt	EHS CAS No.
JOT Code/Fire Haz. C	NGP-150 Oil CAS No	Gallons State S Liquid S Type	Max. Daily 165 torage Container iteel Drum Days on Site: 365	Largest Cont. 55	Avg. Daily 2 Pressue Ambient Temperature Ambient	Amount Waste Code	- Health Skin Corrosion Irritation	Component Name 1,2 Benzenedicarboxylic acid -c11 branched alkyl ester 2,5-bis(n-octyldithio)-1,3,4- thiadiazole		68515-49-1 13539-13-4
	Odor Counteractant CAS No	Martint discount and	110 torage Container Plastic/Non-metal	55 ic Drum	2 Pressue Ambient Temperature Ambient	Waste Code	- Physical Flammable - Health Serious Eye Damage Eye Irritation	2-propanol 4-nonylphenol, branched, ethoxylated		67-63-0 127087-87
	4U Degreaser CAS No	Liquid F Type	55 torage Container Plastic/Non-metal Days on Site: 365	55 ic Drum	10 Pressue Ambient Temperature Ambient	Waste Code	- Health Skin Corrosion Irritation - Health Serious Eye Damage Eye Irritation			

Printed on 2/25/2021 10:16 AM

ATTACHMENT C



1608 Norris Road • Bakersfield, CA 93308

Jarlath Greaney South Coast Air Quality Management District 21865 Copley Drive Diamond Bar, CA 91765

RE: Compliance with Notice to Comply No. E51096

Dear Mr. Greaney:

I am pleased to submit this Specific Cause Analysis Report prepared for Notice to Comply No. E51096.

Background

On June 3, 2021, E&B Natural Resources Management Corporation (E&B) conducted well servicing at its Murphy facility located at 2126 W Adams Ave, Los Angeles, CA 90018. A workover rig and crew removed rods and tubing from Well M-23. In accordance with South Coast Air Quality Management District (SCAQMD) Rule 1148.1, a rubber grommet was used to remove excess fluid from the rods and tubing, and a plastic sheet was placed in the cellar to catch any oil that might have otherwise dropped into the cellar around M-23's wellhead.

The well was shut-in overnight, and servicing was completed the following day with the reinstallation of rods and tubing. There were no spills or leaks from the well during servicing, nor were there spills or leaks from any other equipment at the facility.

Murphy's fenceline monitors measured 0 ppm H2S, 0 ppm CO, and 0 ppm VOC throughout the two days of well servicing. The monitoring data is attached to this report.

While the fenceline monitors did not detect H2S or VOC, SCAQMD stated that the Murphy facility was the source of the odor described in the complaints that SCAQMD received on June 4, 2021. It is possible that the servicing of Well M-23 was the cause of the odor detected by SCAQMD. All other equipment was operating normally.

Corrective Action

E&B has purchased and installed an aromatic diffuser system to mitigate any future odors that might occur, and has put a procedure in place to ensure that the odor control system is activated for the entire duration of all future well servicing work at the Murphy facility.

Should you have any questions or desire additional information, please do not hesitate to contact me at (562) 522-5016.

Sincerely,

Unitoph & Hardn

Christopher Hassler

Environmental Coordinator

California • Kansas • Louisiana • Wyoming

Bus: (661) 387-8500 • www.ebresources.com • Fax: (661) 387-8690

ATTACHMENT D

ATTACHMENT D

Calif	ornia Public R	ecords Request	(P012282-032421)		
Details	Fees & Time	Activities (0/0)	Attachments (0)	Letters (0)	History
B Save ▼	☑ New Messa	ge + Add -	Forward	Print 🖨 Prin	nt Attachments
✓ California	a Public Records R	equest Details			
Describe the	e Record(s) Requested:	Any documents related Inc." and/or "PDI" from Department of Transpor	to Production Data Inc. 501 January 1, 2021-present da rtation shipping papers.	0-032221 and email ate. If possible, pleas	correspondence be e include the inspe
* Are you red documents	questing vital record ?	○ Yes			
be process	for vital records cannot ted through the CDPH ords Center Portal:				
Is this requestern Facility?:	uest regarding a Health	○ Yes ⑥ No			
	Q.	If YES, please provid	le facility information ou	tlined below.	
Name of Fa	acility:				
Address of	Facility:				
hank You,	•	,			

Mandolin Schwartz Pronouns: She/Her/Hers **Program Operations Unit** California Department of Public Health

Radiologic Health Branch Office: 916-440-7961 Fax: (916) 636-6077



Please consider the environment before printing this email

Confidentiality Notice: This e-mail, including attachment, is intended only for the person or entity to which it is addressed and may contain information that is privileged, confidential or otherwise protected from disclosure. Any usage, dissemination, distribution, or copying of this e-mail or the information herein by anyone other than the intended recipient(s) is strictly prohibited. If you have received this e-mail in error, please notify the sender by reply e-mail and destroy the original message and all copies immediately.

Harkness, Kathleen@CDPH

From:

Sent:

To:	Harkness, Kathleen@CDPH						
Subject:	Murphy Drill Site 2126 W. Adams Blvd., Los Angeles, CA 90018						
Attachments:	2021-03-18 - Radiation Warning - 115948.jpg; IMG_8056JPG; IMG_8063JPG; IMG_ 8067JPG						
EXTERNAL EMAIL. Links/at	ttachments may not be safe. To report suspicious emails, click "Report Phish"						
button.							
Kathleen,							
Here are two photos of the act AIDS Healthcare Foundation m	ivity that we observed last week. The truck was parked approximately 75' from the						
	Data, Inc. put out provided a contact phone number of 661-327-4776.						
THE Padiation Sign Production E	valid, me. pat out provided a contact phone manual of our ser 1770.						
Please let me know if you have	any questions or need additional information.						
n: 1							
Richard Parks							
RP.							
President							
Redeemer Community Partner	ship						
PO BOX 180499							
Los Angeles, CA 90018							
(323) 285-1949 www.redeemercp.org							
×							
194							

Richard Parks <richard@redeemercp.org>

Monday, March 22, 2021 3:15 PM





Re: Murphy Drill Site | 2126 W. Adams Blvd., Los Angeles, CA 90018

Wed 3/24/2021 9:25 AM

From: Richard Parks richard@redeemercp.org

To: Harkness, Kathleen@CDPH Kathleen.Harkness@cdph.ca.gov

Cc: Brittney Lu <brittney@redeemercp.org>

Dear Kathleen,

Thank you for this update. I appreciate your work to protect the health and safety of our community.

Richard Parks

On Tue, Mar 23, 2021 at 3:03 PM Harkness, Kathleen@CDPH < Kathleen.Harkness@cdph.ca.gov > wrote:

Good afternoon Richard:

It took me awhile to gather the additional information that you requested this morning.

When we initially spoke yesterday Richard, I said that there were two possibilities for the Radioactive Materials used by Production Data Inc.

The one you describe below (with the 100 foot perimeter) was for "radiography" of pipe welds, which it typically done at oil refineries. Radiography involves the use of sealed radioactive sources up to 150 curies, which is why the boundary is typically set at 100 feet in a 3D arrangement.

However, I then discovered that PDI is licensed by the Radiologic Health Branch as a "well-logging company", which is only authorized for use of tracer gases of Kr-85 and Xe-133, as well as the liquid I-131 that I mentioned below- where they injected 0.5 millicuries into the wellhead.

The exclusion area around the top of the well would be **only ~ 10 feet**, to keep members of the public safe and away during the well logging operations 7am- 1:30 pm.

PDI's radioactive materials license was renewed in 2019 for 10 years. The company has been licensed by the Radiologic Health Branch since Sept. 1972. They are inspected by my RHB field office every 3 years and the last inspection occurred in December 2019, so will be due again in December 2022.

Employees receive their training certification thru a Texas company that specializes in well logging techniques and they also receive bi-annual radiation safety training and annual field compliance audits from their radiation safety officer. PDI's Logging Supervisors are all named and approved on the RHB license. I have confirmed that the PDI supervisor on the job in LA is approved and has been recertified.

His assistant was also trained in radiation safety and participated in the safety pre-job tailgate with the well owners- to inform them of the hazards and to stay clear of the area during the well- logging process.

PDI crews use disposable gloves when handling the liquid iodine tracer, and wear safety goggles and or face shields, hard hats and safety shoes.

The injection timeframe for loading the tool with the I-131 is typically \sim 15 minutes , which is when the area around the top of the well was surveyed.

I realize now that I made a math error in converting the radiation units which were in microsieverts per hour to millirem per hour. The 10 foot perimeter around the well was 0.01-0.02 millirem per hour, not 10-20 millirem per hour.

I have verified the radiation survey meter used was calibrated in the last six months, as required.

I have started a tracking investigation for your inquiry- Production Data Inc. 5010-032221.

I hope that this additional information will satisfy you and your staff that they were not in any danger of being exposed to radioactive materials during the well logging operations next door to your facility.

Kathleen Harkness, Associate Health Physicist

Radiologic Health Branch, California Dept. of Public Health

office (714) 524-1816; telework cell (714) 457-3287

500 South Kraemer #235, Brea, CA 92821

From: Richard Parks < richard@redeemercp.org>

Sent: Tuesday, March 23, 2021 7:17 AM

To: Harkness, Kathleen@CDPH < Kathleen. Harkness@cdph.ca.gov>

Cc: Brittney Lu < brittney@redeemercp.org>

Subject: Fwd: Murphy Drill Site | 2126 W. Adams Blvd., Los Angeles, CA 90018

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Dear Kathleen,

Thank you for your quick follow-up. Your initial review raises several concerns.

- You mentioned that a 100-foot, 3D perimeter was necessary. Given the location of the truck and
 its proximity to the adjacent walkway, office building, and health center, was the required
 distance abided by? What is the appropriate method for marking the perimeter?
- Given that, "the radiation field around the top of the well were 10-20 millirem per hour while the crew was inserting the I-131 into the well head" and your earlier statement that, "the operator had a legal responsibility to make sure that the public is not exposed to more than 2 millirem in each hour", did the public exposures exceed the allowable threshold given the proximity to adjacent land uses?

Was the company's permitting to handle radioactive material current at the time of the work?
 Were the certifications for the employees involved current? In keeping with their certification and legal requirements, did PDI's employees properly set out a perimeter and warn other workers and members of the public?

Is there a tracking number for your investigation that we can use to follow progress?

Again, thank you for your diligence in protecting the health and safety of our community.

Kind regards,

Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949

www.redeemercp.org

----- Forwarded message -----

From: Harkness, Kathleen@CDPH < Kathleen.Harkness@cdph.ca.gov>

Date: Mon, Mar 22, 2021 at 5:50 PM

Subject: RE: Murphy Drill Site | 2126 W. Adams Blvd., Los Angeles, CA 90018

To: Richard Parks < richard@redeemercp.org>

Hello Richard;

I was able to contact the radiation safety officer for Production Data and he confirmed that his company was hired by the well owner in Los Angeles for 3-18-2021.

He was impressed with the quality of your pictures!

They were hired to log the well-via a specialized sprayer, that was loaded with a radioactive tracer (0.5 millicuries of liquid iodine 131) which was placed directly into the top of the wellbore.

The crew uses a Geiger counter to survey their work area after the job and their records show that no radioactive contamination was found on their hands or the job site.

lodine 131 is a very common tracer used in industrial and medical fields. It has a 8 day half-life, meaning 50 % decays away every 8 days.

The safety officer sent me a copy of the Dept. of Transportation shipping paper required for the drive from Bakersfield to Los Angeles.

I do not see any cause for alarm, and so far it looks like the crew did everything correctly.

Thank you for contacting me with your concerns, and I hope to have put them to rest as far as the radiation safety handling is concerned.

As for the public dose limits 10 CFR 20, section 1301 and 1302 state the maximum limit for members of the public.

The survey results taken on the job site show that the radiation field around the top of the well were 10-20 millirem per hour while the crew was inserting the I-131 into the well head.

Thank you for contacting me and I hope that I have helped.

Kathleen Harkness, Associate Health Physicist

Radiologic Health Branch, California Dept. of Public Health

office (714) 524-1816; telework cell (714) 457-3287

500 South Kraemer #235, Brea, CA 92821

Re: Los Angeles- Murpi., drill site - field work 3-18-2021

From: brandon@productiondatainc.com

To: Harkness, Kathleen@CDPH Kathleen.Harkness@cdph.ca.gov

Date: Tue 3/23/2021 4:07 PM

EXTERNAL EMAIL. Links/attachments may not be safe. To report suspicious emails, click "Report Phish" button.

My pleasure, anytime!

Brandon C

On March 23, 2021 2:44 PM Harkness, Kathleen@CDPH <kathleen.harkness@cdph.ca.gov> wrote:

Thank you so much for helping me to better understand your process at temp. job sites.

Kathleen Harkness, Associate Health Physicist Radiologic Health Branch, California Dept. of Public Health office (714) 524-1816; telework cell (714) 457-3287 500 South Kraemer #235, Brea, CA 92821

From: brandon@productiondatainc.com

To: Harkness, Kathleen@CDPH <Kathleen.Harkness@cdph.ca.gov>; daniel productiondatainc.com

daniel@productiondatainc.com
Date: Tue 3/23/2021 1:40 PM

EXTERNAL EMAIL. Links/attachments may not be safe. To report suspicious emails, click "Report Phish" button.

Good afternoon Kathleen,

In response to your questions:

1. What is the typical timeframe at the well head where the radiation levels were 10-20 mR/hr?

We spend about 15 minutes to and hour near the wellhead once when we begin, and again when we rig down and finish.

During this time the R/A material that we use (I-131) is in storage aboard the logging Unit. In this case, Felix had 465 MBq or 12.57 millicuries (recordable quantity is notated on our shipping papers when this is >600MBq)

The amount recorded at the wellhead was .01 mR/Hr which is the same as 0.1 uSv/Hr. This reading is an average reading for Background (.01 -.04 mR/Hr) - all around us.

2. Then, post injection, is the tool cleaned or bagged up and placed into the truck?

Re: Los Angeles- Murpi. Jrill site - field work 3-18-2021

The tool is emptied into the well during the survey so it comes up empty. But it is removed from the line and stored in a locked toolbox with shielding on the Logging Unit.

3. What was the timeframe for the well logging process?

In this case, the crew was on location from 7:00AM until 1:30PM

4. Is the radiation detector located in your logging tool, which was placed into the well head after the I-131 was injected?

The detector tool for the site survey was a Bicron (Serial#A487A). I've attached a picture of the background reading along with the most recent calibration sheet. The detector tool that we use during the survey is placed into the wellhead but it is used to perform the CalGEM MIT2 portion of the well testing. We're currently drafting the presentation of that test.

- 5. Can you interpret the names of the field crew- and verify the dates of their most recent radiation safety training?
- > I see Felix- Is that Jose Felix Zavala, who is approved as a supervisor on your RAM license?

> Emilio? > Liz?

The crew was Jose Felix Zavala (The same gentleman named on our license) and Emilio Barraza - a short service employee who was under Felix's supervision during the operation.

I've included a scan of the Safety Meeting Training from 08-07-2020 that Felix attended where we discussed site surveys and shipping papers. Also, Felix's training certificate from our Biannual Isotech training (from 2019).

Emilio is part of a per job safety meeting where the crew discusses all hazards, including potential R/A exposure. He was trained on R/A safety fundamentals on 1-22-2021, a scan of those training documents are included. I've attached the crews JSA from this job, and you can see where it is documented that they discussed this during the safety start up meeting. Right now Emilio is on board thru Mid-Cal temp service staffing, and once he's satisfied their requirements and hired on full time with PDI, we plan to schedule him for Isotech's 24 hour R/A safety training for well loggers and have him added to the license as an authorized user.

I believe the L18 (Standing for Logging Unit #18) could be misinterpreted as Liz.

Please let me know if there is anything else I can help with,

Brandon C

in in the second

Re: Los Angeles- Murpi., drill site - field work 3-18-2021

From: brandon@productiondatainc.com

To: Harkness, Kathleen@CDPH <Kathleen.Harkness@cdph.ca.gov>; daniel productiondatainc.com

<daniel@productiondatainc.com> Date: Mon 3/22/2021 4:30 PM

EXTERNAL EMAIL. Links/attachments may not be safe. To report suspicious emails, click "Report Phish" button.

Good afternoon Kathleen,

The quality of those pictures is impressive! I've attached a scan of the crews field record. This also serves as our shipping paper. Once the data is digitized we will add the utilized amount to our binder for I-131 Utilization for the month of March. The records usually reach the final digital format within a month after the job is complete, and are always available to our clients and regulatory contacts. Please let me know if I can help with anything else.

Regards, Brandon Cesenas Production Data Inc 661-619-3673

On March 22, 2021 3:27 PM Harkness, Kathleen@CDPH < kathleen.harkness@cdph.ca.gov> wrote:

Hello Brandon;

The LA County office of Radiation Safety was contacted last week after observing one of Production Data Inc. vehicles had place warning signage near an open well at EMB Natural Resources / Location at 2126 West Adams Blvd. Los Angeles. The person was concerned over public safety and asked IF radioactive materials were being used near their commercial business. The pictures that were sent to me looked like a crane was being used, but I am not sure if tracer materials were used.

If you have a job site utilization form for that day, I would like to see it. Just goes to show, the eyes of the world are always open.

Thanks for your help.

Kathleen Harkness, Associate Health Physicist Radiologic Health Branch, California Dept. of Public Health office (714) 524-1816; telework cell (714) 457-3287 500 South Kraemer #235, Brea, CA 92821

COMPANY & & B	DATE 3:18-21
WELL NO. Marchy 20	TRUCK-CREW L 140 . Emilio Felix
FIELD Las Circons	COMPANY REPCALCEM Ronde Witness Obiery
API# MUNTATIONSH	TAIL -GATE MEETING

SIZE	WT	DE	PTH	MEASURE REF.	ZONE	UPPER	LOWER
20		0	4	12'KB	CSG psi	8 asi Olden	
10324	405	D	997	SURVEY TOOLS	TBG psi	432 15:	
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5	15	Ø	3919	DEPTH CORRECTION	FLUID LEVEL.	Serface	
PKR 1	844-	2451		to	SURVEY RATE	5000	
REG				RESET to TT	REMARKS:)	H @2280	
TBG 1	3/4 (12857		3' 118			
PERFS)" (n 6	2435	30,05	EFFECT DEPTH 3456	H) 11A	ECK > OK	
1		2935		PICKUP 3860			
				FILL 70°			

TOOL-RUN	DIRECTION FACTOR	CALIBRATION	TOTAL TIME	FROM	то	DISTANCE	SEC.	BLD.
11	NP	5/100		2000	2780			
(Tone	1/2/17	151/1		2615	81.0			
11			103880	7670	3470	Ø	14	Ø
2			@ 34 Ko	3436	3476	Ø	act	1
3			@ 3810	3795	2795	D	92	X
4			@3770	3756	3756	Ð	119	10
5			6.2140	3747	3747	Ø	105	Ø
(a 3710	3697	36 94	1	10)	15
7			@ 3666	3652	· 3654	7	(17	30
8			03400	3341	35 11	3	116	40
16			63510	32.94	3301	3	106	45
10			@3285	3274	3276	2	106	30
111			@ 3,2.60	27249	3252	3	104	50
- 17			@3100	3086	3090	14	118	35
13 V3		1. I	a 3055	3044		-5- 	116	70
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Lon	-UP			2975	2750	Suyas	2863	Ì
Loh	1 P			2915	7-175	8/ 140	2875	

Production Data, Inc. 1210 33rd Street Bakersfield, CA 93301 661-327-4776

SHIPPING PAPERS

Quantity	i.D. N.o	PROPER SHIPPING NAME	TYPE	FORM	HAZARD CLASS		RADIONUCLIDE	ACTIVITY (Eq)	CATEGORY	TRANSPORT
2	UN2915	RADIOACTIVE MATERIALS	TYPEA	NORMAL (LigNal)	7	36	IODINE 131	465	Par y-m	0.2
	UN2915	RADIOACTIVE MATERIALS	TYPEA	NORMAL (GAS)	7	х	KRYPTON 85		¥ Y-II	
Ш	UN2915	RADIOACTIVE MATERIALS	TYPEA	BIODESAL	7	X	XENON 133		Y-II	1

24 HOUR EMERGENCY NUMBER 661-619-3673

TYPE METER Biccon

SERIAL NO. AUST A

DATE CALIBRATED 15-27-20%

CONVERT FROM TO MULTIPLY BY

Curies (Ci)

becquerels (Bq)

3.7x10

millicuries (mCi) megabecquerals (MBq)

37

megabecquerals (MBq) microcuries (uCi)

0.037

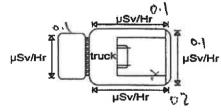
R/A SURVEY BEFORE OPERATIONS

AREA WHERE WORK WILL BE PERFORMED:_

VEHICLE RADIATION SURVEY

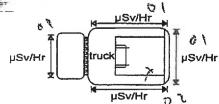
1. Indicate each source location with an "X".

Keep this report on this vehicle during the transportation of radioactive material.



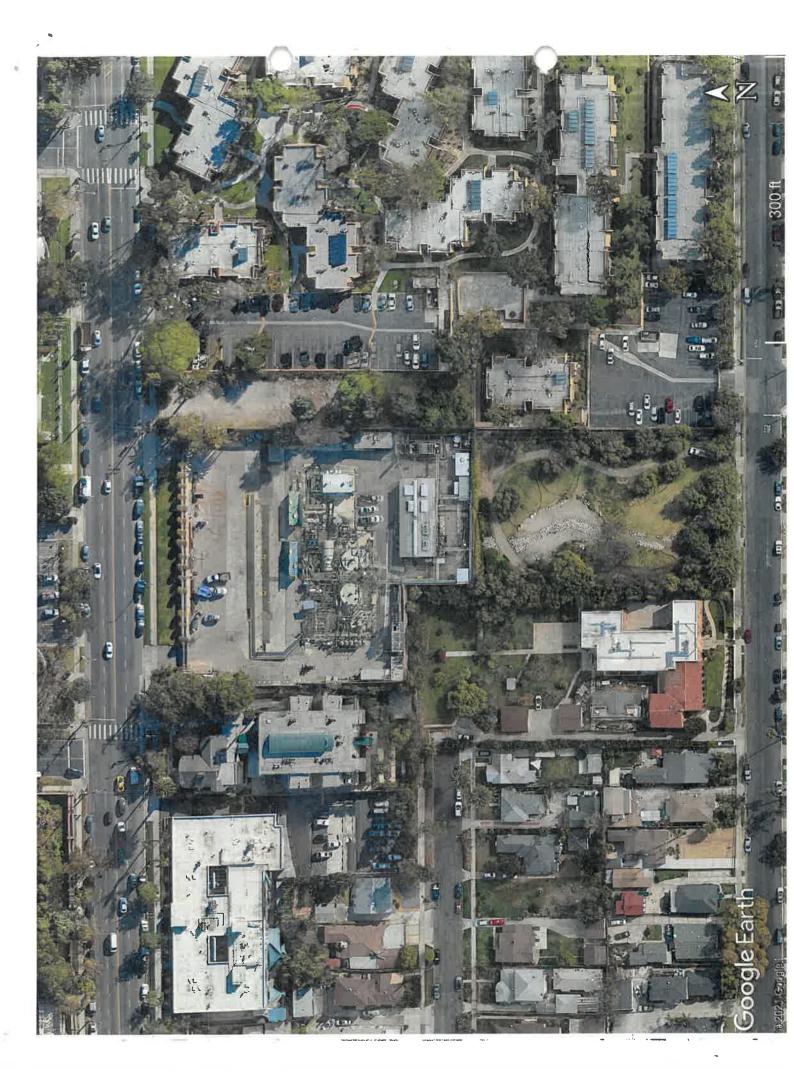
R/A SURVEY AFTER OPERATIONS

AREA WHERE WORK	K Was Perform	IED: 0 \
THYROID CHECK	01	HANDS AND CLOTHING ON
NOTE EXACT LOCAT	ION OF ANY SIGN	NIFICANT CONTAMINATION:
*	VEHICLE R	ADIATION SURVEY AT DAYS END

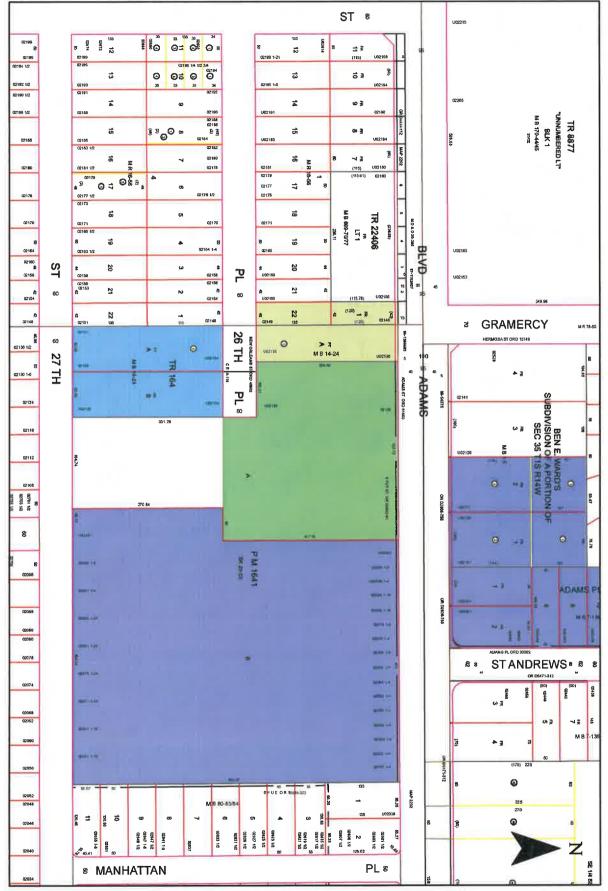


AMOUNT OF TRACER USED ON JOB.	20	MAG		
AMOUNT OF TRACER RETURNED TO	STORAG	SE AREA_	445	MBI

PLOT PLANS



Murphy Drillsite and Adjoining Properties



Highlighted Properties

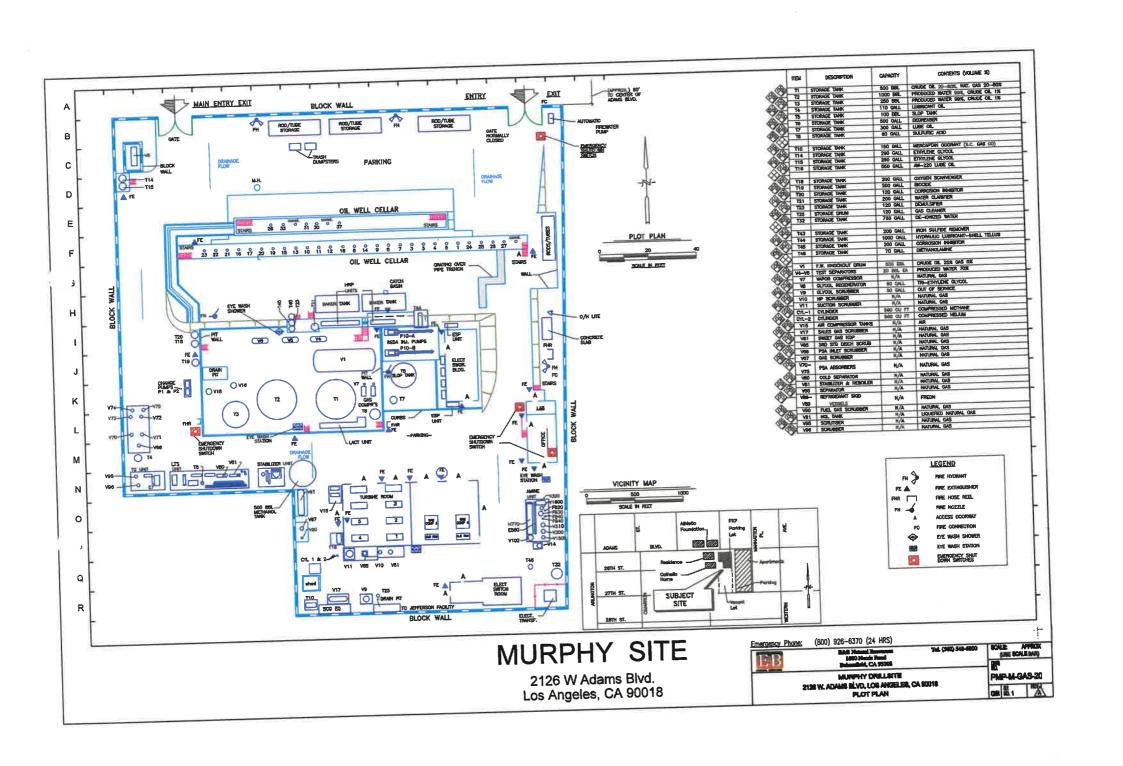
Church Healthcare

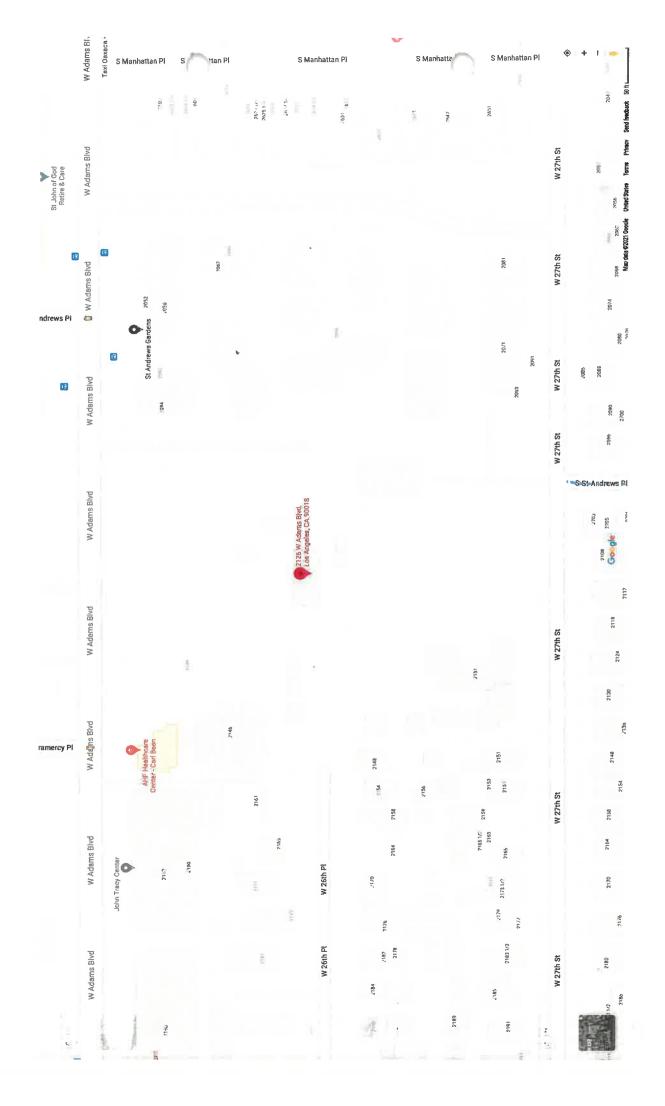
Murphy Drillsite
Residential

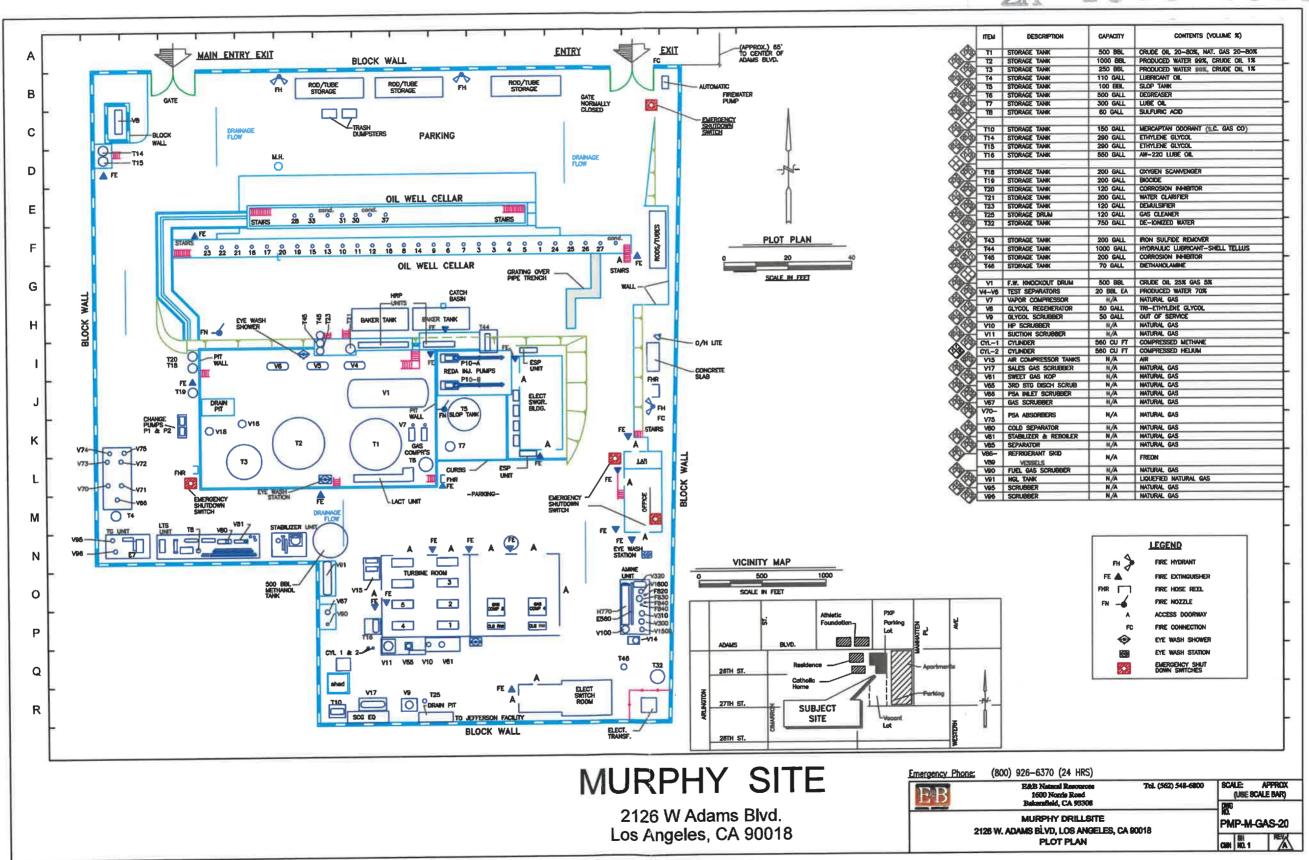
300 Feet

REVISED GOODS GOODS

ASSESSOR'S MAP COUNTY OF LOS ANGELES, CALIF.







RADIUS MAP

CORRESPONDENCE

ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071-1410 213-576-1000 | Fax: 213-576-1100

Nicki Carlsen

Direct Dial: +1 213 576 1128

Email: nicki.carlsen@alston.com

Re: CEQA Appeal Justification for Approval of Plans for 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA ("Murphy Site") (Case No. ZA-1959-15227-O-PA6, issued February 28, 2023 ("Plan Approval")

On behalf of E & B Natural Resources Management Corporation ("E&B"), this Office respectfully appeals the Zoning Administrator's issuance of additional and modified conditions in the Plan Approval for the above-referenced Murphy Site. This Appeal is timely submitted within 15 days of the ZA's Approval of Plan dated February 28, 2023.

REASON FOR THE APPEAL: As specifically identified in the attached appendix, certain additional and modified conditions in the Plan Approval are arbitrary, not supported by substantial evidence, and the Findings do not explain why they are necessary to alleviate the alleged harm. The additional and modified conditions in the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law, including the taking of its property for public use without the payment of just compensation.

SPECIFIC POINTS IN ISSUE:

The Zoning Administrator has abused its discretion in determining that the additional and modified conditions included in the Plan Approval are required to (1) increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood or (2) address demonstrated nuisance conditions. Neither of these determinations are supported by substantial evidence. As discussed specifically in the attached appendix, the additional and modified conditions imposed by the Plan Approval are also unduly oppressive on E&B. By interfering with E&B's vested rights without the requisite basis, and by imposing conditions that are unduly oppressive, the Zoning Administrator has not proceeded in a manner required by law.

Agencies must make all findings required by applicable law. An agency's findings must also bridge the analytical gap between the raw evidence and the ultimate decision. The Plan Approval does not bridge the analytical gap between the raw evidence and ultimate decision. For example, while the Plan Approval imposes new conditions on the Murphy Site's operations, it did not make any findings (including necessary sub-conclusions) that bridge the analytical gap between the alleged harm and the conditions imposed. In addition, LAMC § 13.01 requires findings based on "actual observation and experience with drilling" in order for a Zoning Administrator to impose additional conditions or require corrective measures to be taken. The Plan Approval did not include findings based on "actual observation and experience with drilling." The Findings also do not demonstrate or explain how the conditions would alleviate the alleged harm, and the Findings are not supported by the cited evidence.

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City of Los Angeles Department of City Planning SPECIFIC POINTS IN ISSUE: Page 2

Under the Federal Supremacy Clause and article XI, section 7 of the California Constitution, local laws in conflict with general state laws or federal laws are void. The Zoning Administrator does not have authority to regulate areas or enforce local laws that are preempted by general state laws or federal laws. Through the Plan Approval, the Zoning Administrator is purporting to regulate areas that are preempted by general state laws or federal laws, including the production of oil and gas (such as all "down hole" activities), air quality, hazardous materials, water quality, and labor laws. By regulating areas that are preempted by state and federal law, the Zoning Administrator has acted without, or in excess of, their jurisdiction.

The due process clause of the U.S. Constitution guarantees the right to due process of law before a governmental deprivation of property. The Plan Approval deprives E&B of its property rights as operator of the Murphy Site. The due process clause of the U.S. Constitution guarantees the right to be free from arbitrary and capricious government action. As the Plan Approval is arbitrary and capricious, the Zoning Administrator did not afford due process before issuing the Plan Approval.

Similarly, the equal protection clause of the U.S. Constitution guarantees the right to equal protection of the laws, requires that similarly situated property be treated similarly. The Zoning Administrator treated the Murphy Site differently from other properties that are similarly situated, and there is no basis for this differential treatment.

E&B has an established vested right to carry on its lawful business at the Murphy Site according to the terms of its existing discretionary zoning approvals. The Plan Approval interferes with E&B's vested rights. E&B submitted an application for the City to review operations for compliance with its existing plan approval. As good neighbors, E&B entered into discussions with the community and proactively suggested new safeguards that are ahead of the existing regulatory framework. However, the City has no evidence to support a need for the additional and modified conditions challenged in this appeal. E&B has an excellent record in compliance and safety with no issues with its regulating agency, the California Geologic Energy Management Division ("CalGEM"), and no history of emergency actions or spills. The Zoning Administrator has not obtained a substantial nuisance or code enforcement determination such that they have established the interests of the public require the Plan Approval and its interference with E&B's vested rights. The Zoning Administrator has not established that the conditions imposed by the Plan Approval are reasonably necessary to accomplish the Plan Approval's purported purpose.

To interfere with vested rights, there must be findings of a substantial impairment of public rights. The Plan Approval does not include any findings of a substantial impairment of public rights that would justify an intrusion on E&B's vested rights.

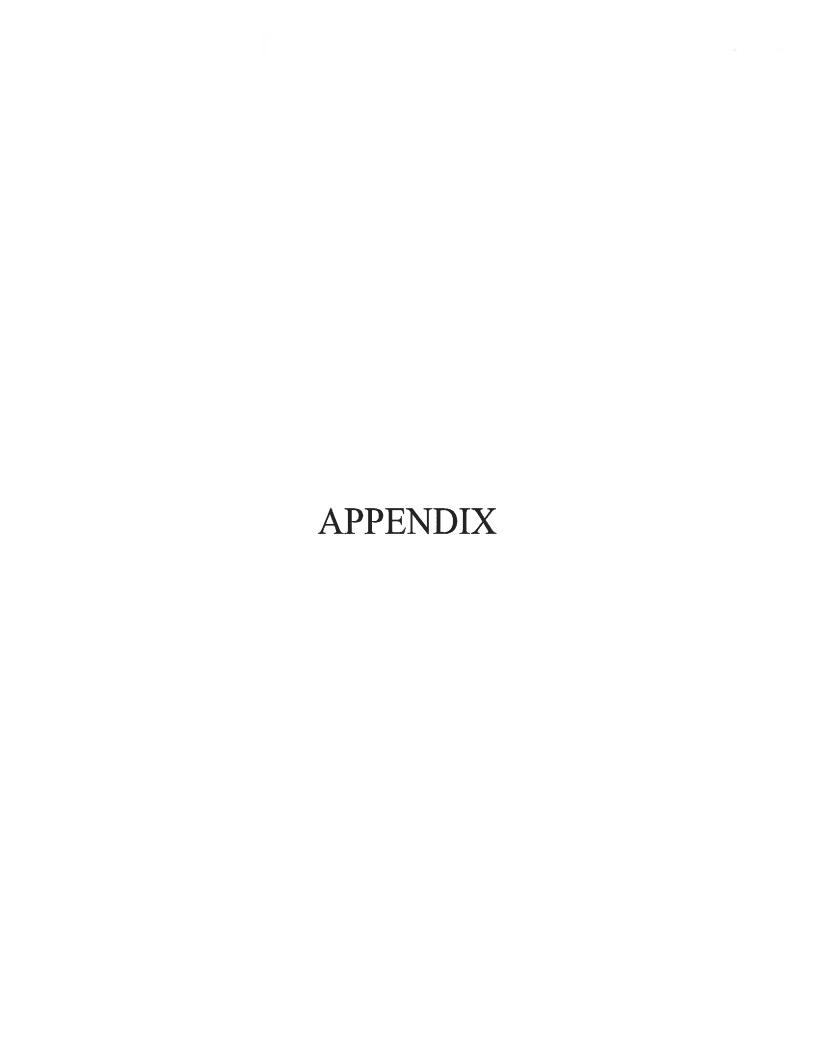
The U.S. and California Constitutions provide that private property cannot be taken for public use without just compensation. A taking occurs when there is a physical invasion of private property. The Plan Approval physically invades the Murphy Site by requiring construction thereon. A taking also occurs when a property is deprived of all economically beneficially uses. The Plan Approval will temporarily deprive E&B of all economically beneficial uses of the Murphy Site. A taking also occurs when a regulation substantially interferes with the ability of a property owner to make economically viable use of, derive income from, or satisfy reasonable, investment-backed profit

City of Los Angeles Department of City Planning HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval. Page 3

expectations with respect to the property. For example, the Plan Approval requires the use of a electric workover rig that is not commercially available, which renders E&B unable to feasibly conduct maintenance, repairs, or well-servicing on its wells. The Plan Approval unreasonably interferes with E&B's ability to make economically viable use of, derive income from, and satisfy its reasonable, investment-backed profit expectations with respect to the Murphy Site. A taking also occurs when a condition of approval is not "roughly proportional" to the impact it seeks to address. The Plan Approval imposes conditions on the Murphy Site that are not "roughly proportional" to the alleged impacts it purportedly seeks to address. Therefore, the Plan Approval effects a taking of the Murphy Site. The Plan Approval will take E&B's private property for public use and the City must pay just compensation for the taking.

HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval.

HOW DID THE DECISION-MAKER ERRED OR ABUSED THEIR DISCRETION: As discussed above, the Zoning Administrator has issued additional and modified conditions to an existing Plan Approval. The Zoning Administrator has also made Findings that are not supported by substantial evidence, and do not adequately explain how the conditions would alleviate the alleged harm. The Zoning Administrator has also not established that the additional and modified conditions are justified by a demonstrated nuisance. The issuance of the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law.



APPENDIX to CEQA APPEAL JUSTIFICATION FOR APPROVAL of PLANS FOR MURPHY SITE

Appeal of Specific Conditions: E&B hereby appeals the following conditions of approval on numerous grounds, including that the conditions would serve to create a hazardous operating environment, that the conditions would serve to terminate or severely curtail operations, that the conditions require the implementation of measures that are not commercially available or technically feasible, that the conditions are vague or unclear and occasionally inconsistent, that the conditions are unduly onerous and not required of other facilities, that the conditions require actions out of the control of the operator, that the conditions do not serve to address the alleged concerns, and that the conditions are pre-empted by State or federal law.

- 1. Condition 5: This condition prohibits access from 27th Street for the pipeline infrastructure installed by Southern California Gas and overseen by the City of Los Angeles. It would have been impractical to access that infrastructure area from Adams (a vehicle carrying heavy equipment could not have entered on Adams Boulevard to the infrastructure area). Additional maintenance by SoCalGas may be required and this condition should allow SoCalGas to service its equipment and its pipeline infrastructure. Further, SoCalGas is not a contractor of E&B. E&B is simply a customer of SoCalGas just like everyone else in the neighborhood. E&B does not control Southern California Gas or its equipment and cannot compel SoCalGas to comply with this condition.
- 2. Condition 7: The condition requires the installation of a 30-foot sound wall *after* the 45-foot-high structure is built for any workover, maintenance or drilling rig that exceeds 45 feet in height. The City has not identified or provided any evidence that E&B is not in compliance with the applicable noise requirements. Further, a 45-foot-high structure is an effective sound barrier by itself. It is impractical, non-sensical and technically infeasible to construct a 30-foot wall within the 45-foot-high structure the 45-foot-high structure would perform the sound barrier function of the 30-foot sound wall. The other requirements to reduce sound such as acoustical blankets (subsections c and d) and sound damping acoustical material (subsection e) are also unnecessary given the sound barrier function of the 45-foot structure. E&B should be allowed to demonstrate that the 45-foot-high structure is sufficient by itself to satisfy any noise mitigation requirement. In addition, while the operator will perform sound monitoring during any drilling, workover or maintenance activity, and the operator is willing to provide that information to the City as the regulating agency, the City provides no basis for its requirement to provide public notification of these results.
- 3. Condition 17: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and has appealed the Zoning Administrator's Interpretation regarding "maintenance" activities. This condition should conform to the results of those legal proceedings.
- 4. Condition 19: While the operator offered proactively to provide fence-line air quality monitoring, this condition requires the installation of a new monitor for the evaluation of

certain constituents using detection limits that are not technically feasible. The findings state that the "existing system may not be set up to monitor all of the mentioned production by products so there may be some expense for the operator in meeting this Condition" (Letter of Determination, p. 60.) The City has not provided any evidence to conclude that any such system is commercially available or technically feasible or even reliable, particularly at the noted detection limits. Also, these detection limits appear to be inconsistent with federal and/or state health and safety limits, and thus, the City is improperly implying that some health and safety concern exists occurred if these detection limits are exceeded. For example, a typical air sample would normally have 200-400 ppb of VOC's and thus, an exceedance of a detection limit of 10-25 ppb of VOCs would not be indicative of anything. The condition also requires "real-time" data, which is also not technically feasible as the data needs to be processed to make it useable.

- 5. Condition 21: This condition requires the operator to maintain a website to distribute to the public information on the facility's operations. Again, the City has provided no legal basis to require public distribution of this information. The operator is willing to maintain the website for notice to the public of activities that require notice and to provide emergency contact information and emergency reporting instructions.
- 6. Condition 22: This condition improperly requires notice by "certified mail" there is no legal basis for this requirement. The website would offer sufficient notice of these activities. There are also notification requirements already in place via the City's Plan Approval process and through SCAQMD.
- 7. Condition 23: This condition requires a "45-foot in height structure enclosing the oil production area of the site." An "enclosure" often means something that is "enclosed" and with a roof. The condition does not explicitly state that this "enclosure" is required to have a roof, and the condition acknowledges the potential use of a rig within the structure that exceeds 45 feet. Given that enclosing the production area with a roof would create a hazardous condition, the City should clarify that the 45-foot height structure is open air, without a roof. (The Packard site is open air.) In addition, it is unclear how the HPOZ process can be satisfied within the 24-month time frame, particularly if there are administrative appeals or litigation. In any case, the City should indicate that the design of the structure should be compatible with the design of the Packard structure. The so-called "enhanced vapor recovery system" to be installed along the top of the 45-foot-high structure is not technically feasible vapor recovery may be applied to pieces of equipment but not to the air generally.
- 8. Condition 24: This condition states: "Amendments shall be made within six months of the review following preparation of any amendment." Under federal law, the SPCC is required to be updated every five years. The City should clarify that it is not requiring an update every six months, but that *if* an update is made (other than the required 5-year update), then the amendment will be provided to the City. Otherwise, this condition is not consistent with and is pre-empted by federal law. Furthermore, the SPCC requirements do not impose a condition for 24/7 staffing, nor do they require a minimum of two operators per shift. The City has no legal basis for mandating the number of employees at the site or for controlling the operator's staffing requirements. Staffing

- requirements are otherwise regulated by State and/or federal law and the City's provisions in this condition are pre-empted.
- 9. Condition 25: This condition improperly prohibits the importation of "methane" or natural gas to power the microturbines. The operation of the microturbines is essential to the operation of the site, and without the microturbines, operations would be effectively terminated or severely curtailed. The City has provided no legal basis for prohibiting the use of natural gas from an offsite provider, something virtually every other commercial, industrial and residential use is allowed to do. The findings refer to the prior operator's request for a flare as evidence of excess natural gas on the site, but circumstances have changed as the City is well aware, as it approved the installation of the SoCalGas pipeline to serve the microturbines. This condition also improperly prohibits electric drilling, workover and maintenance rigs, and the opposition to Condition 26 below also applies to this condition.
- 10. Condition 26: This condition requires the use of electric drilling, workover and maintenance rigs, although commercially available workover and maintenance rigs do not exist, as stated by the Petroleum Administrator. (Letter of Determination, p. 37.) The findings incorrectly state that the Packard site is required to have an electric workover rig (Letter of Determination, p. 63). As for Jefferson, the electric workover rig requirement was contested by the operator and never implemented because the site is transitioning to other uses. The City may have been referencing (incorrectly) the rig at the PCEC site on Pico Boulevard, but that is a drilling rig (not a workover or maintenance rig) which is permanently installed and hard-wired to the electric grid and cannot be moved to be utilized elsewhere. This requirement fails to recognize the current state of technology as presented by the City's own Petroleum Administrator and effectively terminates or severely curtails operations at the Murphy site. In addition, this condition prohibits the idling of diesel-powered vehicles, and this condition should clarify that a vehicle is not "idle" if it is being used for operations, such as powering equipment on the site.
- 11. Condition 27: This condition acknowledges that an "idle well shall be defined and identified per CalGEM's Well Finder web application." The condition should be clarified to state that compliance with State's idle well regulations serve to satisfy the City's regulations regarding idle wells.
- 12. Condition 28: This condition imposes new requirements that are inconsistent with the Fire Department's current regulations (and practice) with respect to fire suppression, hydrogen sulfide and methane alerts, and quarterly monitoring. The operator does not control the Fire Department, and the condition should conform to the Fire Department's requirements.
- 13. Condition 32: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and these conditions must conform to the outcome of that legal challenge. Further, the operator objects to the imposition of any ordinance provision during the pendency of that litigation.

14. Condition 33: The City should be required to engage in good faith discussions with the operator regarding any settlement of any litigation or any major or material decisions pertaining to the litigation.

ATTACHMENT A



October 15, 2021

Mr. Vince Bertoni, Planning Director Department of City Planning City of Los Angeles 200 N Spring St., 5th Floor Los Angeles, CA 90012

Dear Mr. Bertoni,

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Information illuminating E&B Natural Resources' (E&B) troubled operation of the Murphy Drill Site (MDS) at 2126 W. Adams Blvd. continues to come to light. This letter addresses E&B's:

- failure to maintain a 24/7 on-site security and emergency response presence,
- use of an unpermitted truck to transport and deploy radioactive isotopes,
- failure to keep site equipment permitted,
- use of a health-harming odor counteractant, and
- construction of high-pressure fossil gas infrastructure to import and burn methane

E&B Leaves Drill Site Unattended

E&B submitted two PA6 application documents representing to the Office of Zoning Administration (OZA) that the Murphy Drill Site always has personnel on site. The Environmental Assessment Form for Oil Form 7832 states that the MDS' security measures include a "guarded gate" and "24 hour on site personnel". E&B made similar representations in its 2020 Spill Prevention, Control, and Countermeasure Plan. However, over the last several months residents have documented E&B's night watchmen leaving the Murphy Drill Site unattended for extended periods.

On Monday, September 27, 2021, the night watchman left the drill for more than 90 minutes. Red emergency-type lights began flashing across the drill site upon his first departure at 9:14pm (see Photo 1). When he returned 72 minutes later at 10:26pm the bed of his truck was filled with electric scooters (see Photo 2). The flashing red lights were extinguished following his return. Several hours later at 1:27am E&B's watchman left the drill site again with a truck full of presumably charged scooters. It appears he redistributed them across the city before returning with an empty truck bed at 1:45am.

This pattern continued throughout the week. On Saturday, October 2, 2021, the watchman left the drill site at 8:36pm with an empty truck bed and returned 84 minutes later with a load of scooters. He left the drill site again a few hours later at 12:45am with scooters and returned 50 minutes later at 1:35am without them. The watchman was missing from the drill site for more than two hours.

On Sunday, October 3 the night watchman left the drill site unattended for almost three hours over the course of three trips off-site. Rotating red lights, like those on emergency vehicles, flashed during one of his absences and were turned off upon his return.

This egregious and dangerous behavior is not limited to one individual over the course of a week. We have meticulously documented various night watchmen leaving the drill site after dark over a period of several months.

On Wednesday, October 6, the United Neighborhoods Neighborhood Council Planning and Zoning Committee held a public hearing to consider E&B's PA6 application. Mr. Louis Zylstra, E&B senior vice president, was present along with Ted Cordova, director of public and government affairs. Redeemer Community Partnership presented evidence of the night watchmen leaving the drill site for extended periods of time. Mr. Zylstra responded, "People don't leave the site. That site is covered 24 hours." The following evening on Thursday, October 7, the night watchman again left the drill site unattended—twice.

E&B's executive leadership is asleep at the wheel of a hazardous industrial operation embedded in a densely populated urban neighborhood of schools, apartments, high-rise retirement communities, medical facilities, and homes. E&B is telling the City who they are. The City has a duty to believe them.

California Highway Patrol Findings

Earlier this year residents documented an unpermitted well-testing truck transporting and deploying radioactive isotopes at the Murphy Drill Site. The truck was reported to the California Highway Patrol (CHP). A CHP investigation determined that the well testing company hired by E&B had operated this truck without:

- a valid CA Number since July 25, 2019,
- a USDOT Number, and
- an active Motor Carrier Permit (MCP). In fact, its MCP had been expired for several years.

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The CHP report noted, "It is unlawful to operate on the highway without first obtaining a MCP Permit" (see Appendix 1). The CHP's investigation led to the discovery of other problems at the operator's terminal in Bakersfield, including:

- Carrier did not maintain records of different types of vehicle combinations each driver is capable of safely driving on a highway unsupervised.
- Carrier failed to document 90-day safety inspections for vehicles.
- Carrier failed to properly maintain vehicles. One vehicle was placed Out-of-Service and cited for a violation due to broken leaves in its leaf spring assembly suspension.

The CHP also determined that the type of radioactive isotopes used at the drill site did not require vehicle placards. The California Department of Public Health Radiologic Health Branch, provided a fuller description of the MDS activity and the radioactive material used. "They were hired to log the well- via a specialized sprayer, that was loaded with a radioactive tracer (0.5 millicuries of liquid iodine 131) which was placed directly into the top of the wellbore."

Residents without any motor carrier expertise recognized and immediately confirmed a problem with the truck's registration both online and in a call with the CHP Motor Carrier Unit in Sacramento. Did E&B fail to see a problem, or did they know they were hiring a company that cut regulatory corners to transport and deploy radioactive isotopes?

E&B's senior management continues to show the City that they provide insufficient oversight of the drill site. Whether that is due to incompetence, insouciance or some other shortcoming is immaterial. The company does not avoid responsibility by hiding behind contractors that it hires, oversees, and allows to operate on its lease.

Expired Pressure Vessel Permits

E&B submitted voided and expired Pressure Vessel Permits as part of its PA6 application.

Improperly operated or maintained pressure vessels can fail catastrophically, kill and injure workers and others, and cause extensive damage even if the contents are benign. Therefore, the Los Angeles Department of Building and Safety maintains a Pressure Vessel Unit to oversee inspections and permits.

Pressure vessel permits, like most permits, become void upon a transfer of ownership. The permits submitted by E&B for its PA6 application on July 30, 2021, were in the name of the previous operator, Sentinel Peak Resources. The permits submitted also had an expiration date of June 19, 2021.

On September 23, 2021, inspectors from the Los Angeles Department of Building and Safety (LADBS) Elevator and Pressure Vessel Unit confirmed by phone that E&B's pressure vessel permits were expired and voided by the change of ownership. An LADBS Pressure Vessel Unit inspector went to the drill site that morning to inspect the vessels and worked with the operator to renew the permits. The inspector decided not to issue a Notice of Violation because once caught, E&B was compliant. The inspector noted that the record would show the lack of permit continuity.

Residents identified the permit problem and instigated a resolution in the span of a morning. The quick resolution indicates that E&B's senior management could have cured these violations on their own prior to submitting their PA6 application. Whether E&B's senior management failed to recognize the problem or chose to ignore it is again immaterial. The failure to keep its operations properly permitted shows the City a lack of competency or will to safely operate a hazardous industrial complex in a dense, residential community.

Odor Counteractant

On June 4, 2021, the South Coast Air Quality Management District (SCAQMD) received four odor complaints that were then confirmed by an SCAQMD inspector. The inspector issued Notice to Comply E51096 for E&B to "Conduct a specific cause analysis for the 6/4/2021 confirmed odor event and submit the specific cause analysis report as required by rule 1148.1 (f)." E&B submitted its Cause Analysis Report on July 21, 2021, noting:

"E&B has purchased and installed an aromatic diffuser system to mitigate any future odors that might occur, and has put a procedure in place to ensure that the odor control system is activated for the entire duration of all future well servicing work at the Murphy facility."

Residents have photographed what appears to be a nebulizing diffuser capable of dispersing nanoparticles of odor counteractants. It is located by the west wall just 50' from the AIDS Healthcare Foundation's medical clinic (see Photos 4 and 5). Acid yellow liquid from the diffuser can be seen pulsing into clear tubing E&B has strung on the wall (see Photo 6). At times a strong soapy smell hangs in the air where none previously existed.

South Coast Air Quality Management District inspectors sometimes encourage oil companies to use odor counteractants to reduce the number of 800-CUT-SMOG calls that they must respond to. However, odor counteractants only mask the stench of petroleum and the rotten egg smell of extremely hazardous hydrogen sulfide gas. Generally, odor counteractants accomplish this with a powerful and highly toxic class of chemicals called Endocrine Disruptors. These chemicals disrupt reproductive health and fertility across generations.

E&B's PA6 filing discloses the use of an "Odor Counteractant" and provides its CAS Numbers, a unique identifier for each chemical. E&B's Odor Counteractant is filled with Endocrine Disruptors that come with chilling warnings.

"Reproductive Harm – Can disrupt the male or female reproductive systems, changing sexual development, behavior or functions, decreasing fertility, or resulting in loss of the fetus during pregnancy.

Birth Defects – Can cause harm to the developing child including birth defects, low birth weight and biological or behavioral problems that appear as the child grows."¹

It would appear that E&B has a plan for our children, and it is not to give them hope and a future.

LAMC 13.01 Subsection F Condition 18 prohibits harm or injury from operations when better methods are available. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

Therefore, we request the Office of Zoning Administration to obtain the trade name, manufacturer, and Safety Data Sheets for all odor counteractants used at the drill site as well as a complete and transparent explanation for how and where E&B is using these odor counteractants. This information is essential to assessing whether E&B complies with Condition 18's prohibition of harmful or annoying substances which can be eliminated or diminished using greater care or technological improvements in methods.

¹ "Polyethylene Glycol Mono(Branched P-Nonylphenyl) Ether." ChemHAT, https://chemhat.org/en/material/2013092.

Fossil Gas Power Generation

Earlier this year Redeemer Community Partnership brought to the Planning Department's attention E&B's plan to install a high-pressure gas main to buy methane from SoCalGas and burn it in turbines to power the drill site. Recent Department of Building and Safety permits indicate that this plan is nearly complete.

It is important to remember that the City never formally approved microturbine permits to burn waste gas at the Murphy Drill Site. Instead, the operator installed the microturbines and then spent years trying to slip them into planning documents by reference.

This avoided OZA consideration of their health impacts and the availability of less harmful alternatives like reinjecting gas back into the oil field. It appears the operator decided to install the microturbines without permission and apologize if it got caught. It need not have worried.

When the City discovered the conflict between unpermitted microturbines and Condition 43 requiring electric power only and prohibiting onsite power generation, it simply removed Condition 43, an important health protection for residents.

It was not the City's responsibility to solve the operator's off-spec waste gas problem, particularly when the solution harmed the health of children. However, the removal of Condition 43 had a terrible and probably unforeseen consequence.

While removing Condition 43 opened the door to burning waste gas, E&B is now driving a battering ram through this opening by installing a high-pressure gas line to import and burn fossil gas to power the drill site.

CalEnviroScreen scores represent a combined measure of pollution and the potential vulnerability of a population to the effects of pollution. The neighborhood around the Murphy Drill Site ranks in the 95th percentile of disadvantaged communities in California according to CalEnviroScreen 4.0.

While the City has removed Condition 43 protection from South LA, it has kept the condition in wealthier, whiter, West LA drill sites. For example, the Packard, San Vicente, and West Pico drill sites all maintain Condition 43.

E&B's efforts to import and burn gas to generate electricity contravene the Municipal Code. It is clearly inconsistent with LAMC 13.01 Subsection F Condition 18 which prohibits harm or injury from operations when better methods are available. Better methods, such as reinjecting waste gas and powering the drill site using an existing LADWP connection, are readily available.

Burning imported gas will release substantial amounts of CO2 per year and even more health-harming air pollutants. Therefore, we urge the Office of Zoning Administration to protect public health by reimposing Condition 43 in the upcoming review of conditions.

Conclusion

Even if E&B was an exemplary oil company, a large and growing body of research underscores the fundamental incompatibility of oil drilling in residential neighborhoods. Research specific to the Murphy Drill Site shows that its operating conditions fail to protect the health and safety of children and their families. Furthermore, a review of conditions at drill sites in wealthier, whiter, West LA neighborhoods shows that the City has afforded far fewer protections to South LA residents, even though this community is more disadvantaged and impacted by pollution. The effects of this systemic and decades-long discrimination must be redressed. A modernization of the Murphy Drill Site's operating conditions to protect vulnerable children and families is decades overdue.

However, the OZA must recognize that E&B is not exemplary. Rather, E&B's senior management continues to show the City who they are. They appear unwilling or unable to comply with their operating conditions and other regulatory statutes. They have repeatedly failed to identify and address violations that are obvious to laypersons. They have denied and turned a blind eye to serious operational failures even after they were brought to their attention. They have prioritized their wealth over public health, making decisions without regard to the well-being and safety of children and families living adjacent to their operations.

A clear-eyed view of E&B's compliance failures coupled with the inordinate risks to residents, workers, and first responders underscores the need for a fail-safe solution; one that can only be achieved by revoking the operator's conditional land use permit.

We are grateful for your careful consideration of this matter.

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Kind regards,

Richard Parks President

cc: Lisa Webber, Deputy Director, lisa.webber@lacity.org

Estineh Mailian, Chief Zoning Administrator, estineh.mailian@lacity.org

Jennifer Tobkin, Deputy City Attorney, jennifer.tobkin@lacity.org Edber Macedo, City Planning Associate, edber.macedo@lacity.org

Photos



Photo 1: Flashing red lights were triggered at the Murphy Drill Site on September 27, 2021, as the night watchman's vehicle exited the drill site. They continued flashing until just after his return more than 90 minutes later.



Photo 2: The night watchman returns to the drill site with a load of electric scooters on September 27, 2021.



Photo 3: An unpermitted well-testing truck parked under E&B's surveillance camera on March 25, 2021.



October 29, 2021

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6)
Murphy Drill Site, 2126 W. Adams Blvd.

Dear Ms. Mailian,

Following Redeemer Community Partnership's October 15, 2021, correspondence and in response to a request from the Office of Zoning Administration, you will find enclosed a log of instances when E&B Natural Resources (E&B) appears to have left the Murphy Drill Site unattended.

On Sunday, May 16, 2021, residents observed E&B's night watch leave the drill site at 10:18pm. Immediately, red lights began to flash. He returned to the drill site at 10:40pm and extinguished the flashing red lights. I called the Murphy Drill Site at 10:41pm to ask what the flashing red lights indicated. The night watch informed me that he had not seen the lights flashing because he had been in the well cellar. Later in the conversation he mentioned that the lights started flashing because he had forgotten to hit the gate by-pass, a tacit admission that he had left the drill site. He confirmed that the drill site is staffed by one person at night.

Residents then began tracking nighttime departures from the drill site in June 2021. You will no doubt appreciate that collecting this information is both time-consuming and tedious, one that residents cannot carry out 24/7. Therefore, this chronological log is not comprehensive. However, it is representative of a serious and on-going breach of safety protocols.

This dangerous practice continues despite Redeemer Community Partnership directly informing E&B Natural Resources' senior vice president, Louis Zylstra, that his staff was leaving the drill

site unattended. This occurred at the October 6, 2021, United Neighborhoods Neighborhood Council Planning and Zoning Committee's public meeting to consider E&B's PA6 application. Mr. Zylstra responded to the presentation of photos stating, "People don't leave the site. That site is covered 24 hours."

Notwithstanding Mr. Zylstra's public denials, residents had hoped these safety breaches would end following this public exchange. They have not.

Last Sunday, October 24, 2021, E&B left the drill site unattended three times for a total of 164 minutes. E&B's night watch was observed once again returning to the drill site with electric scooters in the bed of his pickup truck, apparently to charge before leaving later during his shift to redistribute them across the city (Photo 1).

Enclosed you will also find a representative sample of photos documenting the array of E&B staff vehicles leaving and/or returning to the drill site after dark. The photos show that this practice is pervasive and, apparently, condoned by E&B's senior management despite their public and regulatory assertions to the contrary.

E&B continues to show the City who they are. We have a duty to believe them.

Please let me know if you have any questions or need additional information. Thank you for your careful consideration of this matter.

Kind regards,

Richard Parks

President

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E&B Murphy Drill Site Night Staff Departures & Returns

Shift Departure	5:02 AM	5:06 AM	5:12 AM	4:49 AM					5:18 AM		5:08 AM	5:10 AM	4:38 AM	5:03 AM	5:35 AM	5:05 AM	
Time Off-site S	91 min 19 min 54 min Total: 164 min	15 min	27 min	39 min	27 min 17 min Total: 44 min	15 min	17 min	12 min 12 min Total: 24 min	73 min 78 min 35 min Total: 186 min	84 min 50 min Total: 134 min	18 min	72 min 18 min Total: 90 min	34 min	27 min	19 min	18 min	31 min
Return Time	9:13 PM 11:04 PM 2:25 AM	9:17 PM	7:00 PM	9:23 PM	7:20 PM 9:41 PM	7:08 PM	6:53 PM	6:46 PM 6:59 PM	9:05 PM 11:31 PM 3:11 AM	10:00 PM 1:35 AM	6:20 PM	10:26 PM 1:45 AM	9:40 PM	8:39 PM	9:41 PM	8:44 PM	9:21 PM
Exit Time	7:42 PM 10:45 PM 1:31 AM	9:02 PM	6:33 PM	8:44 PM	6:53 PM 9:24 PM	6:53 PM	6:36 PM	6:34 PM 6:47 PM	7:52 PM 10:13 PM 2:36 AM	8:36 PM 12:45 AM	6:02 PM	9:14 PM 1:27 AM	9:06 PM	8:12 PM	9:22 PM	8:26 PM	8:50 PM
Shift Arrival	4:38 PM	4:44 PM	4:50 PM	5:04 PM	4:53 PM	4:39 PM	4:46 PM	4:26 PM			4:30 PM	4:42 PM	4:50: PM	4:30 PM	4:34 PM	4:26 PM	4:42 PM
Vehicle	Silver Truck	Silver SUV	Silver SUV	Silver SUV	Silver SUV	Silver SUV	Silver Sedan	Silver Sedan	Silver Truck	Silver Truck	Silver Truck	Silver Truck	Silver Truck	Silver Sedan	Silver Sedan	Silver Sedan	Silver Sedan
Day	Sunday	Saturday	Friday	Thursday	Tuesday	Monday	Friday	Thursday	Sunday	Saturday	Tuesday	Monday	Saturday	Tuesday	Monday	Sunday	Thursday
Date	2021-10-24	2021-10-23	2021-10-22	2021-10-21	2021-10-19	2021-10-18	2021-10-08	2021-10-07	2021-10-03	2021-10-02	2021-09-28	2021-09-27	2021-09-25	2021-08-10	2021-08-09	2021-07-18	2021-07-15

E&B Murphy Drill Site Night Staff Departures & Returns

	Verlicie Shift Afrival
ver Sedan	Silver Sedan
ver Truck	Silver Truck
sen SUV	Green SUV
een SUV	Green SUV
ver Truck	Silver Truck
ver Truck	Silver Truck
een Truck	Green Truck
ver Truck	Silver Truck
ver Truck	Silver Truck
sen SUV	Green SUV



Photos

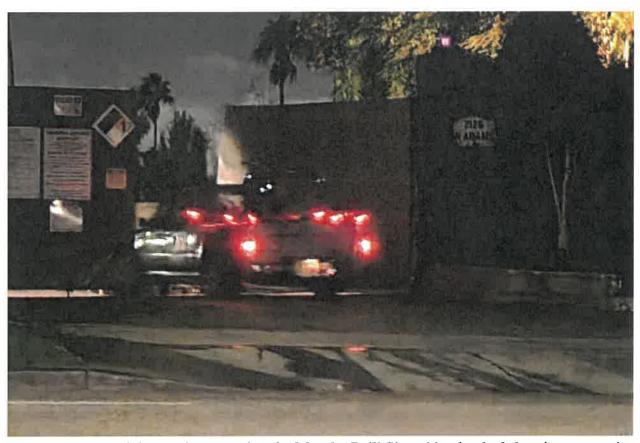


Photo 1: E&B's night watch returned to the Murphy Drill Site with a load of electric scooters in the bed of a small, gray pickup truck on Sunday, October 24, 2021 at 9:13pm. The driver approached the drill site from the north on Gramercy Pl., ran a red light on Adams Blvd., activated the gate remotely, and swiftly pulled in. He had been absent for 91 minutes.



Photo 2: E&B's night watch exited the Murphy Drill Site in a large, silver SUV on Saturday, October 23, 2021 at 9:02pm. The drill site gate is open.

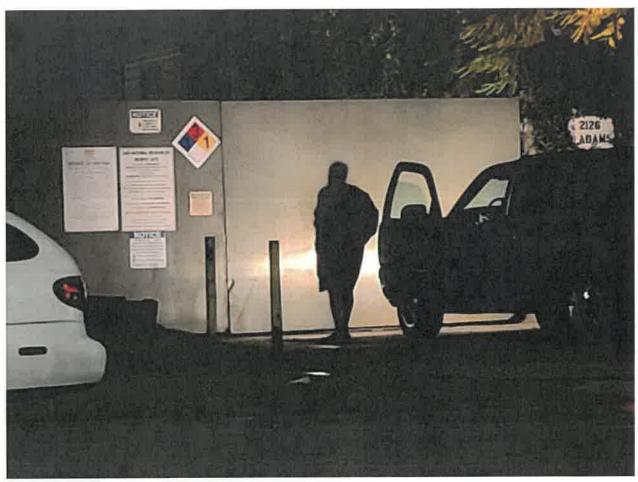


Photo 3: Following a 15-minute absence, E&B's night watch returned to the drill site on Saturday, October 23, 2021 at 9:17 p.m. He exited his vehicle to open the gate using a keypad located near the posted address.



Photo 4: E&B's night watch entered the drill site on Saturday, October 23, 2021, at 9:17pm.



Photo 5: E&B's night watchman returned to the drill site with a load of electric scooters on September 27, 2021 at 10:26pm following a 72-minute absence.

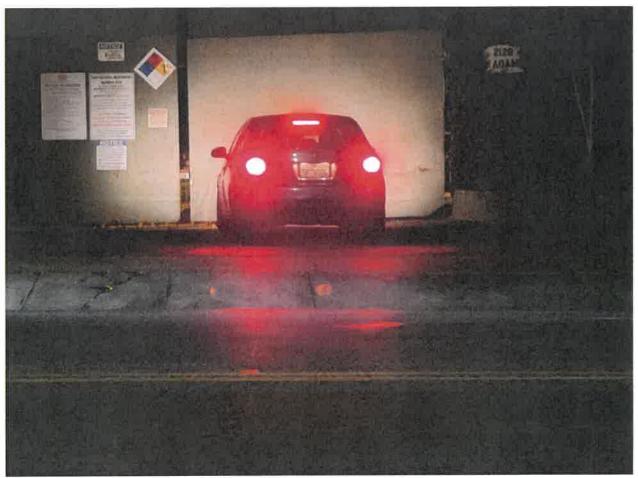


Photo 6: On June 19, 2021, E&B's night watch staff returned to the Murphy Drill Site at 10:32pm in a silver sedan.



Photo 7: E&B's night watch returned to the drill site in a green SUV on June 9, 2021, at 9:10pm.



April 30, 2021

Mr. Vince Bertoni, Planning Director Department of City Planning City of Los Angeles 200 N Spring St., 5th Floor Los Angeles, CA 90012

Dear Mr. Bertoni,

Ever since ZA 15227(O)(PA3) in 2006, Zoning Administrators have reserved broad authority to conduct a public hearing for nuisance abatement and revocation at the Murphy Drill Site located at 2126 W. Adams Blvd. Condition 14 reads,

"At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes."

Recently, we met with members of your staff and Council District 10 to provide a broad overview of public nuisances and other regulatory violations at the Murphy Drill Site. Several important developments have unfolded in the intervening weeks. Therefore, we write to share:

- (1) an update on recent nuisance activities and violations,
- (2) new analysis of acid maintenance at the Murphy Drill Site over the last two years, and
- (3) a new USC-led health study involving nearly 1,000 residents living near the Murphy and AllenCo Drill Sites.

We share this update to inform your consideration of a nuisance abatement/revocation hearing.

VIOLATIONS AND NUISANCE ACTIVITIES

In this section we begin by describing E&B's installation of a new gas meter so that it can <u>buy</u> gas to burn in its turbines to power the drill site. We will outline a series of violations and public nuisances that accompanied this action. Next, we outline additional permit violations and public nuisances that have emerged over the last several weeks including traffic, noise, issues of good repair, odors, and poor oilfield practice among others. Finally, we conclude with an update on new regulatory action taken at the facility in response to violations documented by residents.

New Gas Meter Set Assembly

Recently, E&B contracted with SoCalGas to install a new gas meter set assembly (MSA). The MSA was installed over a large concrete pad on the south side of the lease just outside the enclosed area. The location is directly west from where a previous operator proposed installing a CEB flare. (Figure 1).

Conversations with SoCalGas representatives, a Department of Building and Safety (DBS) inspector who inspected the work, and an E&B representative, provided a clear view into the purpose of the work and the operator's intentions.

The DBS inspector reported that with production of oil and gas coming to an end this year at the Jefferson Drill Site, E&B was concerned it would not have sufficient gas to burn in its turbines to power the drill site. Therefore, it employed SoCalGas to install a new meter so it can <u>buy</u> gas to generate electricity.

Ted Cordova from E&B confirmed that SoCalGas was installing the meter, "So that they can sell gas...to put lower demand on LADWP." When asked directly if E&B was going to buy gas from SoCalGas to burn and generate electricity, he replied, "We are not going to waste it". He then said that all the work taking place was "pre-engineering analysis".

The framers of LAMC 13.01 F expressly prohibited the generation of electricity on drill sites or in drilling districts for the purpose of powering these facilities. This action reduced a drill site's air pollution and the associated health harms to residents. Conditions 26 and 43 read as follows:

- 26. "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."
- 43. "That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district."

In 15227(PA2) the operator noted the City's concern that burning waste gas would violate Condition 43. However, in a familiar pattern weak protections, as compared with drill sites in West LA, were further weakened in successive determinations.

Nevertheless, E&B's plan to buy and burn gas in the neighborhood to generate electricity contravenes the code. It is clearly inconsistent with LAMC 13.01 Subsection F Condition 18 which prohibits harm or injury from operations when better methods are available. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

E&B's plan to buy and burn gas to power its operations is illegal and injurious to the public's health, safety and welfare. Clearly, cleaner methods of powering its facility--such as an LADWP connection--are readily available. Its choice to buy and burn gas reflects a callous disregard for the health and safety of its neighbors. Furthermore, E&B's low estimation of its neighbors and the Code was further demonstrated by the manner that it undertook the work.

Beginning the week of March 15 and continuing for more than three weeks, a daily stream of trucks entered and exited the drill site from 27th Street and parked on the backlot and along 27th Street. (Figures 2 and 3)

PA(3) Additional Condition 5 requires vehicles to access the drill site from Adams Blvd. and requires workers to park either in the enclosed area or in the parking lot immediately East of the enclosed area. Condition 5 reads:

"That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the

existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drillsite outside of the enclosed area which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees..."

These parking lots provide access to the south side of the lease by a gate. The Zoning Administrator confirmed this in his PA6 determination.

"This southerly area is landscaped and can be accessed from the drilling and production area enclosed by the block wall via an existing gate".

Nevertheless, E&B made the unenclosed southern portion of their lease accessible for parking and for trucks to ingress and egress into the drill site from 27th Street in clear violation of their operating conditions. The daily traffic was significant. A team of welders and pipefitters set up tents in the parkland where they cut, ground, and welded pipes and other pieces of equipment to create the gas MSA. Representatives of SoCalGas were back and forth to the site daily (Figure 4). Surveyors were also present at intervals (Figure 5).

The December 26, 2007 Review of Plans for ZA 15227(O)(PA4) condition "g" provides that,

"All employee parking, including contractor personnel, shall be...strictly prohibited on Adams Boulevard or any residential street."

Nevertheless, workers also set up a fake no parking zone on 27th Street created with do-it-yourself Tow-Away signs and traffic cones much to the ire of residents (Figures 6 and 7). A representative from the LADOT Special Traffic Control Division confirmed that this was a fake no parking zone and sent an officer to remove the signs. Even after the Tow-Away signs were removed, workers continued to put out cones and to park along 27th Street. They made a point to leave the cones in the street each night denying residents access to scarce street parking.

The Zoning Administrator's Condition 16 (from ZA Additional Conditions) requires all tools, pipe and other equipment to be kept within the enclosed portion of the drill site. It reads,

"That all tools, pipe and other equipment in connection with the drilling and production activities shall be stored and kept on the drilling site within the walled and landscaped enclosure."

Nevertheless, materials, pipe and other equipment were left outside of the enclosed portion of the drill site overnight and over the weekends (Figures 9, 10).

LAMC 13.01-F Condition No. 49 limits work between the hours of 8:00am and 6:00pm. Condition 49 reads,

"That no materials, equipment, tools or pipe used for either drilling or production operations shall be delivered to or removed from the controlled drilling site except between the hours of 8:00 o' clock a.m. and 6:00 o clock p.m., on any day, except in case of emergency incident to unforeseen drilling or production operations, and then only when permission in writing has been previously obtained from the Administrator."

Nevertheless, for three weeks work trucks typically entered the drill site from 27th Street between 6:30 a.m. and 7:00 a.m. (Figure 11).

Hours of Operation

Since our meeting with your staff and CD10 there have been more than three dozen violations of operating hours. Most of these occurred on the 27th Street side of the drill site as previously mentioned. However, there have been other notable instances.

On Friday, March 26 the workover rig, a fork lift and other assorted trucks worked well past dark and did not leave the drill site until after 9:00 p.m. Residents watched as a full moon rose above a worker high above the drill site on the workover rig's racking platform (**Figure 11**). On the ground, the workover rig's diesel engine revved and the pulsing alarms of vehicles backing up pierced the evening. (**Figure 12**)

It was not just the noise that was so disturbing to residents. It was seeing a worker standing on a perch high above the drill site working in the dark. E&B was once again violating its operating conditions, robbing residents of the peaceful enjoyment of their homes, jeopardizing the safety of workers, and raising residents' concerns for the safety of men working in dangerous conditions.

On Saturday, April 10 at 6:45 a.m. a large truck with a mounted crane and large flatbed arrived on site carrying a tank. (Figure 13) The truck parked on the northeast side of the drill site in front of a sign reading, "NOTICE WORKING HOURS CONSTRUCTION AND TRUCKING WILL BE BETWEEN 8AM - 6PM" (Figure 14)

The Code provides that only in emergencies when "permission in writing has been previously obtained from the Administrator" may a drill site operator deviate from the prescribed hours.

Graffiti

PA2 Condition 4 provided that graffiti would be removed within 24 hours,

"All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence."

Likewise, PA3 Condition 10 provided for daily inspections of the drill site's perimeter. It reads, "The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily."

If E&B was following these conditions, they would have removed gang graffiti from the Rolling 20's Neighborhood Bloods on the east fence a year ago (Figure 15). Still it persists.

Landscaping

LAMC 13.01-F Condition 22 provides that landscaping shall screen operations from view and be kept in good condition. It reads,

Upon the completion of the drilling of a well the premises shall be placed in a clean condition and shall be landscaped with planting of shrubbery so as to screen from public view as far as possible, the tanks and other permanent equipment, such landscaping and shrubbery to be kept in good condition.

The weeded lot with scattered litter on the east side of the drill site violates Condition 22. (**Figure 16**)

Good Repair

The Zoning Administrator for ZA-15227 required that acoustical quilts will be well-maintained. Condition 6 reads,

... "If an acoustical quilt type covering is utilized to soundproof the derrick and buildings, said quilt covering shall be stretched tight, hung and maintained in such manner that it will have a tight attractive nonsagging appearance."

Acoustical quilts on top of the gas processing infrastructure in the southwest corner of the drill site and immediately adjacent to the AIDS Healthcare Foundation, are severely dilapidated. They are not "hung and maintained in such manner that it will have a tight and attractive nonsagging appearance" (Figure 17)

Neighborhood Traffic

Previously, we reported the extensive drill site traffic on 27th Street. However, on March 15, residents documented the operator loading a large pipe on the drill site (Figure 18) then pulling the trailer through the neighborhood north of Murphy in front of the 24th Street Elementary School and the Widney High School. (Figure 19)

The case file makes clear that the City intended to exclude drill site traffic from the surrounding neighborhood. This has not been E&B's practice.

Noise

As noted earlier, LAMC 13.01-F 18 prohibits any noise from the drill site that the operator can eliminate or diminish by the use of greater care. Nevertheless, noise from the drill site remains a constant and longstanding nuisance, interrupted by periods of intolerable noise.

On April 21, E&B conducted well maintenance on the west side of the drill site near the AIDS Healthcare Foundation. For approximately three hours the operator attempted to pound a metal pipe into a well using the workover rig's heavy travelling block. This sent a deafening clang across the community at approximately 15 second intervals. Outside the drill site, these pulses of noise registered at 94+ decibels, equivalent to the intensity of a shouted conversation or a motorcycle running. (Figure 20) This was just one example of nuisance noise from the last couple weeks.

Continuous noise from the site has long robbed residents of the peaceful enjoyment of their community. The 2006 Behrens and Associates Inc. Noise Study presented by the operator in ZA 15227(PA3) found,

"The existing equipment at the site including pumps and compressors generate an elevated, relatively steady background sound level at the site's property line."

The report found the noise level to range "from a high of 73 dBA to a low of 67 dBA with the nighttime average hour level ranging from a low of 63 dBA to a high of 64 dBA." The City of Los Angeles' municipal noise code provides for a maximum noise level for residential zones of 50 dB between 7:00 AM and 10:00 PM and 40 dB between 10:00 PM and 7:00 AM.

Research finds that residents living near a natural gas compressor station are likely to be exposed to "high environmental noise exposures" (Boyle et.al, 2017), with disproportionately higher noise levels for "nonwhite and lower-socioeconomic status (SES) residents" who are more likely to reside by these toxic sites (Casey et.al, 2017). Health risks associated with consistent and higher noise levels include "annoyance, sleep disturbance, and cardiovascular disease" (Hays et al., 2017).

Murphy is situated in the heart of a high-density urban area surrounded by homes, health facilities, and schools, with residents, patients, and students who, over the course of time, are exposed to elevated noise associated with oil extraction. When taking a life course perspective, the constant accumulation of noise at both high and low levels can reasonably be expected to

lead to adverse health outcomes. Therefore, it is urgent that the City address this long-standing nuisance.

Odor Complaints

In the course of following up with South Coast Air Quality Management District (SCAQMD) on a degassing operation that resulted in visible clouds of noxious fumes rolling across and off the drill site (Figures 21, 22), we learned that the SCAQMD had received eight odor complaints at the Murphy Drill Site between March 22 and 26. Five were received on March 24. An SCAQMD inspector went to the drill site on Friday, March 26 and confirmed that there was an odor that smelled like tar coming from the workover rig which aligned with odor complaints received by the Air Quality Management District.

LAMC 13.01 Subsection F Condition 18 requires that operations shall be conducted so that no odor shall be allowed to injure or annoy residents. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

On March 17, noxious fumes pervaded the surrounding neighborhood. When residents went to investigate they documented a worker with no face shield or safety goggles being drenched head-down with oil (Figure 23). Immediately, a second worker with no gloves plunged his hands into the oil to stop the outflow (Figures 24, 25). Workers were left to deal with these urgencies without proper PPE while residents were hit with petroleum fumes.

On April 15 noxious odors again permeated the community. When residents went to investigate, they documented workers with inadequate PPE, this time with exposed arms, as they were drenched with oil (**Figure 26**). This incident occurred as workers wrapped a pipe pulled up from the well in a plastic garbage bag to suppress an oil burst. It strains credulity to think that this was a "proven technological improvement in methods and production" envisioned by 13.01-F18.

We thought the dangerous odor event on March 17 was an aberration. We now realize it is routine; a pattern that while easily remedied persists for the convenience and profit of E&B at the expense of its neighbors and workers.

Additional Condition 10 of ZA 15227 mandates good oilfield practice. It states,

"The drilling of the wells shall be conducted in accordance with good oil field practice and the latest techniques and refinements in equipment and materials shall be used."

As the events described above demonstrate, E&B's methods and outcomes do not accord with good oilfield practice.

Good Oilfield Practice

E&B has posted signs on its gates stating, "DANGER - NO SMOKING" (Figure 27). However, on March 15 and 25 we documented workers smoking on the drill site (Figure 28, 29).

It will not be lost on you that this is an oil and gas drill site embedded in a densely populated urban neighborhood. E&B's reckless disregard for the safety of residents and workers is staggering. Clearly, this practice does not fulfill the Zoning Administrator's mandate of "good oilfield practice".

New Regulatory Action

CalOSHA

E&B's gates carry signs warning, "CAUTION - H2S GAS MAY BE PRESENT" (Figure 27). Indeed, the Las Cienegas oil field is known to have a high hydrogen sulfide (H2S) content.

The California Occupational Safety and Health Administration (CalOSHA) notes that H2S is extremely flammable and highly toxic. H2S is responsible for many incidents of occupational toxic exposure in the petroleum industry. It has been called the "knock down gas" because inhalation of high concentrations can cause immediate loss of consciousness and death.

Windsocks help workers and first responders find safe zones when fleeing an airborne hazard like H2S. They save lives by providing an immediate indication of wind direction and intensity.

Therefore, it is highly concerning that a windsock has been missing from the central pole at the Murphy Drill Site, since at least November 19, 2020 (Figures 30, 31). A worn windsock was last seen flying on August 18, 2020 (Figure 32).

LAMC 13.01-F 18 provides that,

"...nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe..."

E&B's neglect of the most fundamental and critical safety features does not meet the Code's requirement of safety. Likewise, it reveals a reckless disregard for its workers, first responders and neighbors who could face severe harms in the face of a catastrophic accident.

CalOSHA has opened an investigation to explore this and other concerning practices that appear injurious to workers and by extension residents.

California Highway Patrol

On March 18, residents became alarmed when a large, dirty truck equipped to handle radioactive materials arrived on the drill site and put out a warning sign approximately 50 feet from the AIDS Healthcare Foundation stating, "STOP. DO NOT PROCEED WITHOUT PROPER AUTHORIZATION AND ESCORT...R/A MATERIAL IN USE". (Figures 33 and 34).

Officers with the CHP Motor Carrier Unit confirmed that the vehicle's CA Number, 152861, was "Inactive" indicating that the owner had informed the CHP that the vehicle was not in operation. Officers also confirmed that the vehicle did not have a USDOT Number associated with its CA Number as required by law. (Figure 35) The vehicle also lacked an active DMV Motor Carrier Permit. These three permits are required to operate the vehicle on California roadways.

The California Department of Public Health Radiologic Health Branch confirmed that the truck was used to log wells via a specialized sprayer that was loaded with a radioactive tracer (liquid Iodine-131) which was placed directly into the top of the well bore (**Figure 36**). E&B's spokesman, Ted Cordova, confirmed that the truck was on site to conduct a mechanical integrity well test.

The California Highway Patrol (CHP) opened an investigation on March 18 that will take up to 60-days to complete. Following the initial complaint, residents saw the vehicle return to the drill site twice over the following week.

The breadth of E&B's noncompliance with the Code over the last several weeks, much like its noncompliance over the last couple years, shows it is either unwilling or unable to operate the drill site safely. Maya Angelou has said, "When someone shows you who they are, believe them."

ACID MAINTENANCE

Previously, we described several well maintenance acid operations at the Murphy Drill Site that have taken place on E&B's watch. Recently, we obtained the Murphy Drill Site's CalGEM chemical disclosures for acid maintenance for 2019 and 2020, a time period that substantially overlaps with E&B's tenure as leaseholder.

The documents reveal seven acid operations for well maintenance in 2019 and 2020 emplacing 29,096 gallons of hazardous chemicals into wells. Organizing the chemicals used by their primary health impact reveals the following hazard profile:

- 25,130 gallons of highly corrosive acids which are Prop 65 air toxins, asthma triggers, and endocrine disruptors (EDC), and dangerously caustic.
- 1,774 gallons of Endocrine Disrupting chemicals that create reproductive harm and birth defects.
- 2,192 gallons of other chemicals including respiratory triggers (e.g. asthma), carcinogens among others.

The vast majority of these chemicals have multiple health harms.

LAMC 13.01-H Drilling Site Requirements requires a determination of conditions for any operator desiring to maintain an oil well. It reads,

"Any person desiring to drill, deepen or maintain an oil well in an oil drilling district...shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted."

E&B's unpermitted acid well maintenance provides the City with unimpeachable grounds for opening a nuisance abatement process. If the City refuses to act, it will ensure that these hazardous events continue to the detriment of residents' health and safety. The stakes for children and their families are far too high for the City in good conscience to allow this slow violence to continue.

NEW RESEARCH

Since we met in mid-March, a new research study¹ examining nearly 1,000 residents living within 1,000 meters of the Murphy and AllenCo Drill Sites, quantified oil extraction's substantial and persistent harm to lung capacity and health. Dr. Jill Johnston of the USC Keck School of Medicine's Department of Preventative Health led the research team based at USC and Occidental College. The Academic Times reporting on Dr. Johnston's research noted,

¹ Johnston, Jill; et.al (2021). Respiratory health, pulmonary function and local engagement in urban communities near oil development. *Elsevier Environmental Research*, Vol 197. https://doi.org/10.1016/j.envres.2021.111088

"She and her colleagues found that people living near the active [Murphy] drill site were two to three times more likely to report symptoms that included wheezing, sore throat, chest tightness, dizziness and eye or nose irritation than people living near the idle [AllenCo] site. People living downwind or within 200 meters of either site generally had lower lung function than those who lived farther away.

"We saw this pattern in both neighborhoods, which suggests that some of these impacts of oil and drilling operations can lead to chronic effects," Johnston said. The magnitude of the reduction in lung function, she says, was on par with what researchers have reported in people who are regularly exposed to secondhand smoke or live near freeways." (Figure 37)

The substantial health harm found clearly indicates that current conditions and regulations are insufficient to protect residents from injury. This is a clear violation of Condition 18 of Subsection F which requires that all production equipment shall be operated to protect residents from injury. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...

CONCLUSION

When we met with your staff and Council District 10, we outlined in the broadest strokes a pattern of regulatory violations at the Murphy Drill Site. This included:

- 29 Notices of Violation (NOVs) from the California Geologic Energy Management Division (CalGEM) since 2020.
- 3 NOVs plus 3 Notices to Comply (NCs) from SCAQMD since E&B took over operations.
- 21 leaks reported to SCAQMD by third party inspectors fulfilling Rule 1173 reporting requirements since E&B took over operations. 4 of those leaks were greater than 25,000 ppm. Prior to E&B taking over the site, from the first quarter of 2017 to the third quarter of 2019 there were an additional 64 leaks reported, 10 of which were greater than 25,000 ppm.
- 1 NOV and 1 NC from the Los Angeles Fire Department (LAFD) since E&B took over and 18 additional violations since 2016.
- 3 Class II Violations and 11 NCs from LAFD to SoCalGas at Murphy since 2016.

There are many additional, disturbing details from E&B's regulatory entanglements that we have yet to address but which raise serious concerns. For example, on December 10, 2019 E&B denied an SCAQMD inspector entry to the drill site forcing the inspector to wait and then return the next day. There are numerous height exceedances that violate Condition 3, sound proofing omissions and deficiencies, documented instances of venting to the atmosphere, etc.

Rather than detail these concerns here, this letter is intended as an update on what has transpired over the last several weeks. It clearly demonstrates that E&B is out of compliance with the Code, its operating conditions, and good oilfield practice.

We hope you agree that the fact that E&B cures its violations or emails apologies to the OZA once they are caught is entirely unremarkable. What is remarkable is how often they are caught given how limited the oversight is.

Residents cannot continuously monitor this site from the outside and the City cannot monitor it continuously from the inside. Therefore, it is profoundly concerning that so much continues to come to light even over a short period.

There appears to be a severe mismatch between E&B's competency and/or will to comply with regulatory requirements, and the enormous risks failure poses for residents', workers' and first responders' safety and health.

As you consider E&B's operations, we trust that you will hold the historic context of this site in mind. This is not a community that grew up around the drill site. Rather, this community was built at the turn of the last century and zoned residential when the City allowed a toxic, industrial land use into a wealthy, African American neighborhood.

In 2019, the Planning Department took decisive action at the Jefferson Drill Site to at least impose conditions in South LA that were as stringent as those extended to wealthier, whiter, West LA neighborhoods decades earlier. Though these conditions are inadequate to protect residents' health and safety, the Planning Department has yet to extend even these basic conditions to the Murphy Drill Site.

Finally, it is important to recognize that the scale, scope and complexity of E&B's operations at the Murphy Drill Site are substantially larger than the Jefferson Drill Site. Between 2010 and 2019 the Murphy Drill Site produced 150% more oil than the Jefferson Drill Site. All oil and gas produced at the Jefferson Drill Site is transferred to the Murphy Drill Site for processing, sale or burning. Therefore the equipment, chemicals, and processing involved are far more extensive. For example, SoCalGas maintains an odorizing facility at the Murphy Drill Site and stores mercaptan there. This is the same type of equipment that leaked in 2017 at the Rancho Park Drill

Site blanketing West LA with a stench that was smelled all the way to Venice and the Santa Monica Mountains.

As compared to the Jefferson Drill Site, the scope and scale of the Murphy Drill Site violations are substantially more dangerous given the intense density and vulnerability of the surrounding land uses. The density alone is an order of magnitude larger than the community surrounding the Jefferson Drill Site. A high-rise senior center, a multi-story retirement community, multi-family apartments, a convalescent hospital, an elementary school and a special needs high school, and the AIDS Healthcare Foundation's medical center are just some of the vulnerable populations in close proximity to the Murphy Drill Site that cannot be evacuated quickly in the event of an emergency.

As noted in the beginning, Condition 14 grants the Zoning Administrator substantial authority "...to modify, add, or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes."

Residents have worked diligently to provide your office with ample evidence of persistent violations and public nuisances.

Therefore, we ask the Planning Department to exercise its substantial authority to open a nuisance abatement hearing. It is urgently necessary to cure these injurious operations and public nuisances that have for far too long robbed residents of their health, safety and the peaceful enjoyment of their homes. It is time to end this slow violence and bend the arc of history toward justice.

Kind regards,

Richard Parks

whend Janks

President

cc: Lisa Webber, Deputy Director, <u>lisa.webber@lacity.org</u>
Estineh Mailian, Chief Zoning Administrator, <u>estineh.mailian@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>

Appendix 1: Photos



Figure 1 - New gas meter set essembly installed over concrete pad in the parkland (4/13/2021)



Figure 2 - Truck parked in the south side of the lease with a massive generator and other tools. Pipe-fitter work station (3/25/2021)



Figure 3 - Trucks and tents in the parkland. Pipe fitters and welders build a new gas meter set assembly (March 19, 2021)



Figure 4 - SoCalGas representatives parked on the south side of the lease daily for several weeks (April 1, 2021)

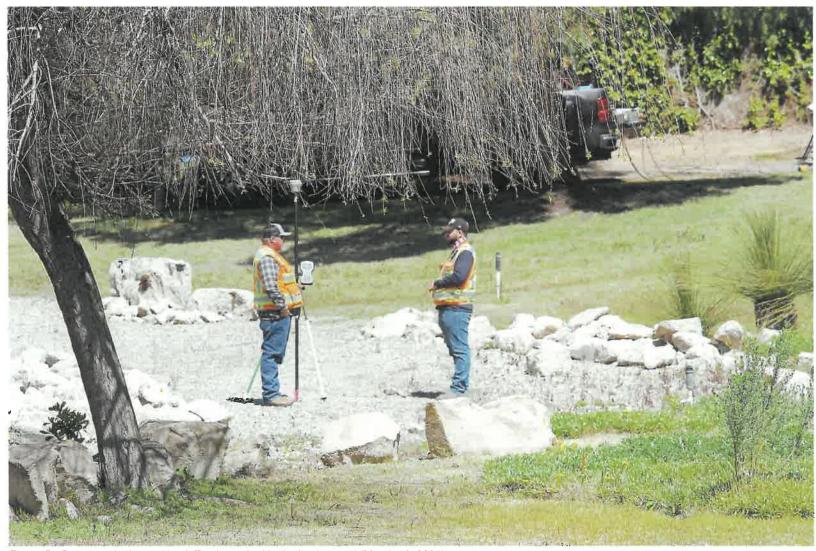


Figure 5 - Surveyors in the parkland. Trucks parked in the background (March 16, 2021)



Figure 6 - Fake NO PARKING / TOW-AWAY zone set up by Murphy workers (3/16/2021)



Figure 7 - - Fake NO PARKING / TOW-AWAY zone created by workers at Murphy on 27th Street (3/17/2021)



Figure 8 - Tents, tools, and pipes were let out overnight and over the weekend. The new meter set assembly is visible in the background (3/27/2021)





Figure 10 - This SoCalGas truck was the last truck to arrive at 6:45am. Its headlights illuminate the tree trunk (4/2/2021)



Figure 11: Moonlight bathes a worker high above the drill site on the workover perch (3/26/2021)



Figure 12: The workover rig lowers a heavy valve guided by a forklift and two workers in the dark (3/26/2021)

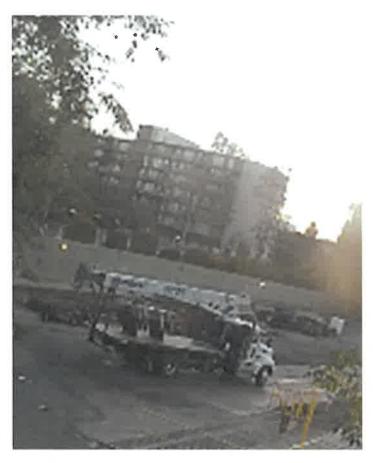


Figure 13 - On Saturday, April 10 at 6:45am a large truck with a mounted crane and large flatbed arrived on site carrying a tank



Figure 14 - NOTICE WORKING HOURS AND CONSTRUCTION & TRUCKING WILL BE BETWEEN 8 AM - 6 PM



Figure 15 – Rolling 20's gang graffiti on the east chain-link fence and mud splattered blanket (4/21/2021)



Figure 16 - Weeded east lot as seen from the St. Andrews Garden apartments parking lot (4/21/2021)



Figure 17 - Dilapidated sound blankets in the southwest corner of the drill site next to the AIDS Healthcare Foundation building.



Figure 18 - Snow Well workers secure a large pipe to a trailer (3/15/2021)

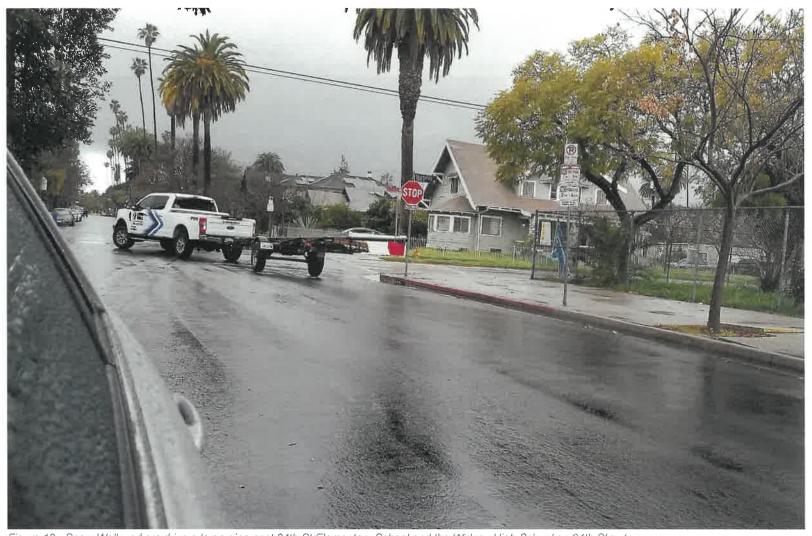


Figure 19 - Snow Well workers drive a large pipe past 24th St Elementary School and the Widney High School on 24th Street.

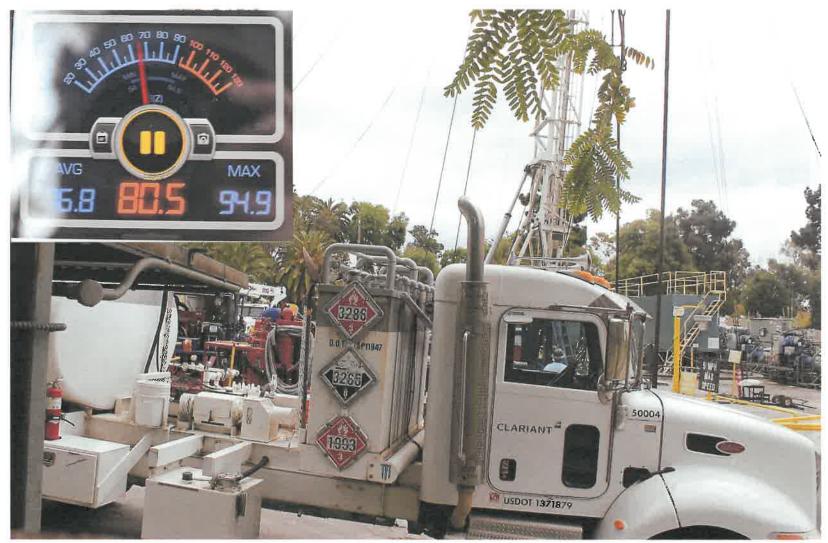


Figure 20 - A Clariant Acid Tanker parks next to the west wall. The workover rig works to pound a metal pipe into a well. A crane loads pipes onto a flatbed in the background. Peak decibels were 94+ with each pounding.



Figure 21 - An acid tanker (on left) pumps acid down well while two vacuum trucks remove fluids from a degassing of the FWKO tank (2/24/2021)





Figure 23 - Oil cascades over a worker without any face shield or glasses (3/17/2021).



Figure 24 - A barehanded worker tries to stop the flow (3/17/2021)



Figure 25 - Oil drips from a hard hat as workers without PPE try to stop the flow of oil (3/17/2021)



Figure 26 - Oil splashes bare armed workers who tried to suppress the oil burst by wrapping the pipe with a plastic trash bag (4/15/2021)

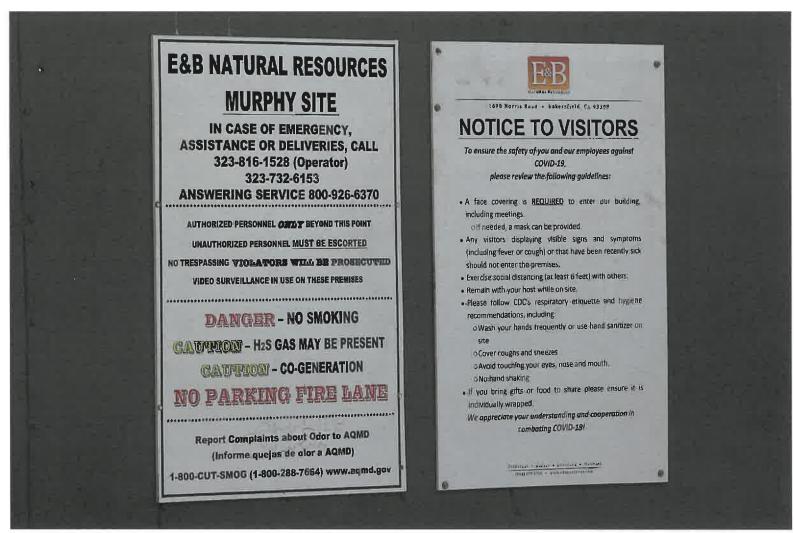


Figure 27 - Gate signs (4/15/2021)



Figure 28 - Worker smokes on the drill site (3/15/2021)



Figure 29 - Worker smokes in the cab with another worker present.



Figure 30 - Missing windsock (11/19/2020)



Figure 31 - Missing windsock as a red warning light flashes on the East wall (4/15/2021)

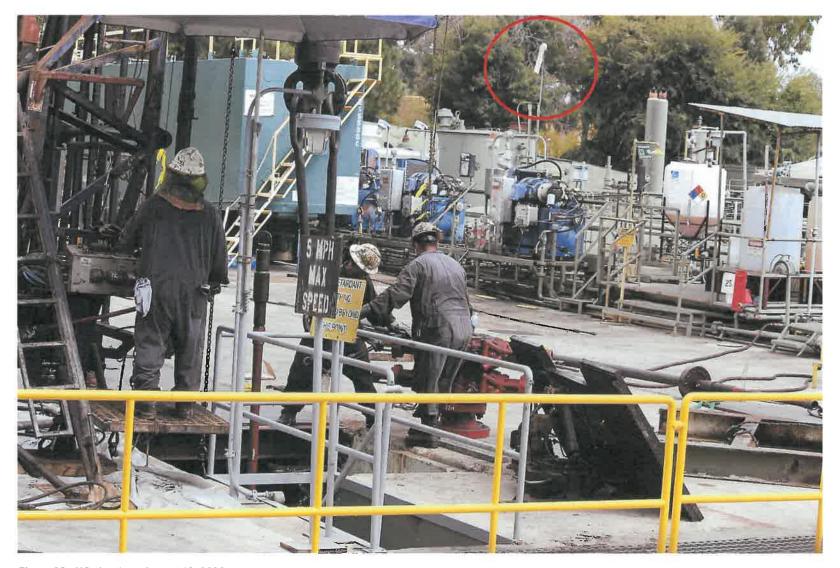


Figure 32 - Windsock on August 18, 2020.



Figure 33 - A dirty, brown PDI trucked equipped to use radioactive materials parks on site (3/18/2021)



Figure 34 - R/A MATERIAL IN USE (3/18/2021)

Welcome to the Carrier Inspection Results Search

Per California Assembly Bill 529 Vehicles: Motor carriers: Inspections, the California Highway Patrol (CHP) is required to provide the public with the outcome of terminal inspections performed in the State of California. This site provides searching parameters to find the carrier that may potentially own or uses a terminal within California. Carriers can be located outside of California, but, terminals must reside within California.

Please use the search parameters provided to research the carrier for which you wish to view inspection results. Results of the search are returned, you may click on the Carrier (CA) / Motor Carrier Permit (MCP) number link and you will be redirected to that carrier's inspection results.

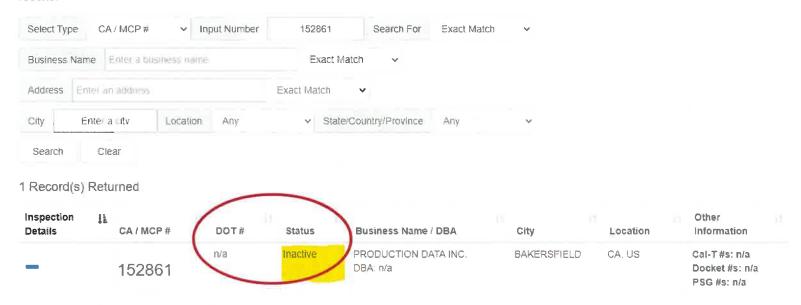


Figure 35 - CHP Inspection Results show that the Production Data Inc. truck had an "Inactive" CA Number and no associated "DOT #" (3/18/2021)

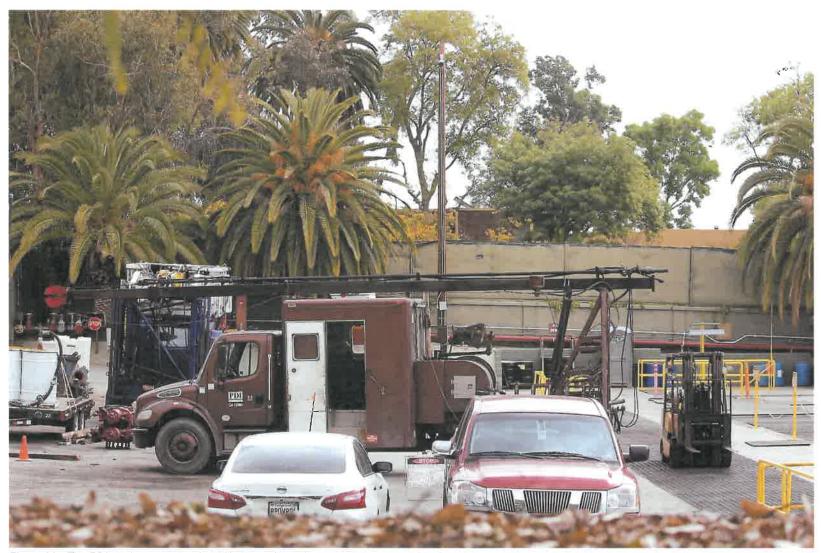
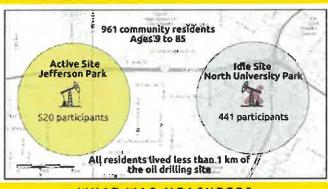


Figure 36 - The PDI truck returned to the drill site again setting out a warning sign (between vehicles) warning that radioactive materials were in use (3/25/2021)

Oil drilling is associated with air pollution, noise, odors and truck traffic.

Figure

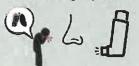
37 - Graphic summary of Respiratory Health study by J. Johnston, et. al (March 2021)



The goal of the study was to investigate how oil drilling may affect lungs and respiratory health of nearby residents.

WHAT WAS MEASURED?

Lung Function & **Short Term Respiratory Health Symptoms**



The study looked at health differences by comparing:

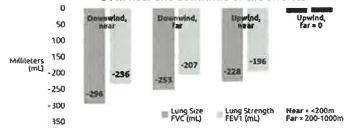
Residents near the active site versus the idle site Living near and downwind from the sites



Idle site

FINDINGS

Worse lung function among residents living both near and downwind of the oil sites



People who lived near

the active site experienced more short term symptoms: Wheeze

Sore throat Chest tightness Irritation of eyes and nose Dizziness

Johnston, English, Eckel, Navarro, Shamasunder, Respiratory Health, Polimonary Function and Local Engagement in Urban Communities Near Oil Development, Environmental Research, March, 2011. https://doi.org/10.1016/j.envires.2021.111683

https://ehr.usr.edu/2021/04/oil-duilling-study.html

Infographic by Wendy Cutschow, USC





Murphy Drill Site | Notice of Violation

3 messages

Richard Parks < richard@redeemercp.org>

Fri, Mar 17, 2023 at 7:41 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

Hi Edber.

I hope you are doing well. Late this morning residents reported pungent petroleum and chemical odors around the Murphy Drill Site at 2126 W. Adams Blvd. A South Coast Air Quality Management District (SCAQMD) inspector investigated several hours later. By the time he arrived, the odors had dissipated. However, he found two sources of fugitive emissions and issued a Notice of Violation (NOV).

The workover rig was on site today along with several heavy vehicles. The inspector said E&B described the activity as a "well rework". We will share copies of the NOV once it is published.

Kind regards, Richard

--

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 21, 2023 at 3:34 PM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

Good afternoon Richard,

Thank you for your message and for the information regarding the recent activities at 2126 West Adams Blvd.

Do you happen to know of the name of the SCAQMD inspector/personnel that visited the site? Thank you.

Sincerely,

Edber

[Quoted text hidden]

Richard Parks < richard@redeemercp.org>

Tue, Mar 21, 2023 at 3:55 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

brittney@redeemercp.org>

Hi Edber.

Yes, the inspector was Phillip Chen. His number is 909-436-5074. He is still writing up the Notice of Violation (NOV), but it should be available in the next day or two with a reference number.

The leak Mr. Chen found was so large, it exceeded the monitor's ability to read, causing the monitor to "flare out". This indicates that the leak was at least 100,000ppm or twice the explosive level of methane. SCAQMD has equipment that can get higher readings, however, Mr. Chen did not have a diluter with him at the time of the inspection.

Thank you again for your attention to this.

Richard



Murphy Drill Site On-going Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Tue, Mar 14, 2023 at 10:36 AM

To: ec.ineh.mailian@lacity.org

Cc: charlie.rausch@lacity.org, Edber Macedo <edber.macedo@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>

Good morning Chief Zoning Administrator Mailian,

Please find attached our letter outlining on-going nuisance operating hour violations at the Murphy Drill Site. Thank you for your consideration.

Kind regards, Richard Parks

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2023-03-14 - Murphy Drill Site - Operating Hour Violations.pdf 172K

Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 14, 2023 at 2:21 PM

To: Richard Parks < richard@redeemercp.org>

Cc: estineh.mailian@lacity.org, charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

Verittney@redeemercp.org>

Good afternoon Richard,

Thank you for your message and corresponding attachment. My office will be looking into this right away.

Sincerely, Edber



March 14, 2023

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: Update on the Murphy Drill Site, ZA-1959-15227 (O)(PA6)

Dear Chief Zoning Administrator Mailian,

On Friday, March 3, 2023, at 5:29am, E&B Natural Resources admitted a large delivery truck onto the Murphy Drill Site at 2126 W. Adams Blvd. in violation of its hours of operation (video attached here). E&B opened the gate for the vehicle's departure at 5:56am (video attached here). This is in clear violation of Condition 6, which prohibits operations on weekdays prior to 7am.

The box truck was outfitted for transporting and dispensing chemicals that are stored in the interior of the truck. The nozzles for off-loading chemicals are enclosed in a compartment visible under the truck bed between the two rear axles and the passenger compartment. The truck with its flammable materials hazard placards, was consistent with deliveries of toxic methanol, a potent solvent, that we have previously observed being made to the drill site by Dion & Sons.

E&B's disregard for its operating hours just a few days following release of the City's Murphy Drill Site Letter of Determination was not an isolated public nuisance. Since the public hearing held on April 28, 2022, residents have documented 17 instances of E&B admitting vehicles to the drill site in violation of its operating hours.

Date	Time	Description
05-03-2022	6:13am	Trash truck admitted onsite
05-24-2022	6:05am	Trash truck admitted onsite
05-31-2022	5:53am	Trash truck admitted onsite

06-24-2022	4:31am	Flatbed truck admitted onsite
07-06-2022	6:11am	Trash truck admitted onsite
07-15-2022	6:43am	Yellow flatbed truck delivering methanol barrels admitted
07-22-2022	6:48am	White flammable materials box truck admitted
08-04-2022	6:23am	White pickup pulling long equipment trailer exits the site
08-11-2022	6:19am	Heavy-duty flatbed truck admitted onsite.
08-19-2022	6:51am	White flammable materials box truck admitted
08-26-2022	6:46am	White flammable materials box truck admitted
09-02-2022	6:45am	White flammable materials box truck admitted
11-04-2022	6:15am	White flammable materials box truck admitted
11-30-2022	5:35am	Large flatbed truck with crane departs site
12-09-2022	6:49am	White flammable materials box truck admitted
01-27-2023	6:27am	White flammable materials box truck admitted
02-10-2023	6:44am	White flammable materials box truck admitted

Clearly, E&B Natural Resources is opening its gates without regard for the conditions imposed by the Zoning Administrator. Therefore, we urge you to strengthen nuisance protections for residents by limiting E&B's hours of operation to 9am to 5pm Monday through Friday. This would divert activities away from quiet hours and remove the cover of darkness for hazardous material deliveries. Thank you for your consideration.

Kind regards,

Richard Parks

ichard Garles

President



Murphy Drill Site | Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Fri, Apr 28, 2023 at 1:18 PM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

thitney@redeemercp.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan

bchan@earthjustice.org>, Lupe Ruelas live.org, Lupe Ruelas live.org, Byron Chan

bchan@earthjustice.org>, Lupe Ruelas live.org, Lupe Ruelas live.org, Byron Chan

bchan@earthjustice.org>, Lupe Ruelas live.org, Lupe Ruelas <a href="mai

Hi Edber,

I hope you're doing well. As your office prepares for E&B's appeal of the Murphy Drill Site Letter of Determination, we wanted to keep you informed of on-going operating hour violations by the oil company.

This morning, Friday, April 28, at 6:33am E&B admitted a three-axle box truck to the Murphy Drill Site in violation of the facility's restricted operating hours (video). This truck is characteristic of those used to transport hazardous materials to the facility. The truck departed the drill site at 6:56am.

Likewise, last Friday, April 21, E&B admitted a three-axle box truck to the Murphy Drill Site at 6:32am in violation of the facility's restricted operating hours (video). The truck departed the facility at 6:56am.

E&B continues to create public nuisances by refusing to abide by the Zoning Administrator's operating conditions. We hope this information will help your office defend the Letter of Determination at the upcoming appeal and consider what additional measures are necessary to ensure E&B's compliance and the protection of the public's health and safety.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

To: Richard Parks <richard@redeemercp.org>

Tue, May 2, 2023 at 7:59 AM

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

<ameszaros@earthjustice.org>, Byron Chan

bchan@earthjustice.org>, Lupe Ruelas <|ruelas@earthjustice.org>

Good morning Richard,

Thank you for your email and for sending over this information. I am in receipt of your correspondence, including the videographic evidence. I will be including this in the administrative record for the PA6 appeal.

Sincerely, Edber





SCAQMD NOV P74382

Richard Parks <richard@redeemercp.org>

Thu, Mar 30, 2023 at 6:22 PM

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

Cc: Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan
 Schan@earthjustice.org>, Lupe Ruelas <Iruelas@earthjustice.org>, Brittney Lu-Jones
 Schittney@redeemercp.org>

Hi Edber,

Following up, here is the NOV from last weeks' SCAQMD investigation at the Murphy Drill Site. Once the Air District closes the NOV, we anticipate receiving the inspector's notes which will likely include more information about the intensity of the leaks that were found.

Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2023-03-17_MDS AQMD_NOV P74382.pdf



Murphy Drill Site | Operating Hours Violations and Odor Complaints

2 messages

Richard Parks < richard@redeemercp.org>

Mon, Apr 17, 2023 at 11:43 AM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Angela Johnson Meszaros ameszaros@earthjustice.org, Byron Chan

bchan@earthjustice.org>, Lupe Ruelas <|ruelas@earthjustice.org>, Brittney Lu-Jones

brittney@redeemercp.org>

Good morning Edber,

I hope you had a good weekend. On Friday, April 14, at 6:53am E&B Natural Resources (E&B) violated the Murphy Drill Site's operating hours by admitting a heavy-duty, three-axle box truck that typically delivers hazardous materials. This was the 21st operating hour violation since the public hearing on April 28, 2022, almost one-year ago.

Also, on Thursday April 16, residents submitted odor complaints to the South Coast Air Quality Management District in response to noxious petroleum fumes that were detected in the neighborhood over a period of several hours. Heavy work involving the workover rig was underway at the time. Unfortunately, an inspector was not immediately available to investigate. Residents were told that an inspection could take place on the following day. This is not an uncommon occurrence.

We want to continue to share these updates as your office prepares to defend the Letter of Determination on appeal and as we all grapple with how to address the Murphy Drill Site as an on-going public nuisance and public health threat. Thank you for your consideration.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Fri, Apr 21, 2023 at 10:06 AM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas <Iruelas@earthjustice.org>, Brittney Lu-Jones

Fittney Lu-Jones

Fittney

Good morning Richard,

I apologize for the delay in responding to your email. I will review the videographic evidence you attached and I'll also include this correspondence in both the PA6 case file and the appeal case file for PA6.

Sincerely, Edber



Edber Macedo <edber.macedo@lacity.org>

Case No. ZA-1959-15227-O-PA6 Community Sign-On Letter

2 messages

Brittney Lu <brittney@redeemercp.org>

Fri, May 27, 2022 at 6:36 PM

To: Edber Macedo <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Cc: Jessica Santos <jessicgs@usc.edu>

Good evening Edber and Connie,

I hope you both are doing well. Please see attached for a community sign-on letter with regard to ZA-1959-15227-O-PA6 for 2126 W Adams Blvd Los Angeles, CA 90018.

Thank you both in advance for your time and consideration. I hope you have a nice weekend ahead.

Best,

Brittney Lu Redeemer Community Partnership Community Organizer brittney@redeemercp.org | (323) 795-8228 (she, her, hers)



2022-05-27_ZA-15227 PA6 Community Sign-On Letter.pdf 129K

Connie Chauv <connie.chauv@lacity.org>

Tue, May 31, 2022 at 7:42 AM

To: Brittney Lu <bri>drittney@redeemercp.org>

Cc: Edber Macedo <edber.macedo@lacity.org>, Jessica Santos <jessicgs@usc.edu>

Hello Brittney,

Thank you for your email and letter. It will be included in the case file and transmitted to the Zoning Administrator for their consideration.

If you'd like to be included on the Interested Parties list, please follow the below instructions from the agenda:

Fill out the following Interested Parties Form to be notified when a decision on an item on the agenda is rendered. Reference the relevant case number and staff contact person. https://tinyurl.com/interested-parties

Thank you



Connie Chauv

Pronouns: She, Her, Hers

City Planner

Los Angeles City Planning

200 N. Spring St., Room 720/721

Los Angeles, CA 90012

T: (213) 978-0016 | Planning4LA.org















Taylor Ryan	3771 McClintock Avenue
Hana Liu	3335 S Figueroa Street
Stephen Kim	2715 Portland Street
Riya Mehta	332 S Figueroa Street
Avishka Jayasethara	3335 S Figueroa Street
Isabella Giantiempo	1194 W 27th Street
Tia Allen	PO Box 93372, LA, 91093
Keli Rubin	1955 Bonsallo Avenue
Kambiz Akhavan	5614 Bartlett Drive
Shawn Escoffery	5214 Victoria Avenue
Tony Pennay	27322 Blueridge Drive
Elvis Castillo	318 N Mariposa Avenue #403
Marisa Flores	2826 Menlo Avenue
Matthew Steiner	8455 Oakwood Avenue
Dillon Cranston	2826 Menlo Avenue
Daniel Jackovics	1210 W 28th Street
Rex Leuth	80 S Patterson Avenue
Joel Jiminez	1179 W 38th Street
Ayotemi Adediwwe	426 S Serrano Avenue
Nisha Venkat	312 W 5th Street
Marino Santos	2826 Menlo Avenue



Eleazar Davila	2826 Arlington Avenue
Raheem Habib	2278 W 29th Street
Asia Thompson	2278 W 29th Street
Jeremias Mendez	2118 W 27th Street
Max Phillips	2903 Halldale Avenue
Shelby Heiman	3131 S Hoover Street
Isaiah Turner	1152 W 36th Place
Carolyn Hua	2318 Portland Street
Sujoy Haldar	3005 Shrine Place
Maya Robles	1156 ½ W 27th Street
Rachel Billington	2108 Oak Street
Megan Ong	3030 Shrine Place
Mekhla Kapoor	2318 Portland Street
Ashley Ware	3115 Orchard Avenue
Katy Kellenberg	3118 Orchard Avenue
Mary Athena Diamantidis	2656 Ellendale Place
Mila Mathias	3201 S Hoover Street
Janine Cadet	-
Katherine Bayard	4929 Cornell Avenue
Gurmum Dhillon	310 S Kenmore Avenue
Ezi Ogbuli	325 W Adams Boulevard
Abigail Kim	2801 Ellendale Avenue
Citlalin Lopez	3856 S Normandie Avenue
Cheyenne Chrisp	6110 Canterbury Drive



We, the undersigned, call on the City of Los Angeles, if not to shut down the Murphy Drill Site, then at the very least, to modernize the drill site's operating conditions to give our community the same protections given to wealthier, whiter, West Los Angeles neighborhoods decades ago:

- 1. Full enclosure of the Murphy Drill Site
- 2. Require only electric workover rigs, instead of diesel
- 3. Prohibit the burning of methane gas onsite

We thank you for your consideration.

Signed by,

Name	Address
Manuel Salazar	2096 W 27th Street
Pablo Mendez	2118 W 27th Street
Maria D. Gates	2154 W 27th Street
Darin Garcia	2272 W 27th Street
Kendric Flores	2278 W 27th Street
John G. Kurtz	2102 W 24th Street
Daire Wolf	2442 Gramercy Park
Romulo Soto	2225 W 25th Street
Linda Mercier	2231 W 25th Street
Jesse Buchanan	2238 W 25th Street
Cathleen Carmen	2087 W 28th Street
Edmon Flores	2087 W 28th Street
Adelita Carmen	2087 W 28th Street
Crystal Carmen	2087 W 28th Street
Emberly Modine	2097 W 28th Street
Andres Gonzalez	1478 Allison Avenue



May 27, 2022

Mr. Charles Rausch
Associate Zoning Administrator
Office of Zoning Administration
Department of City Planning
200 North Spring Street
Los Angeles, California 90012-2601

Re: Case No. ZA-1959-15227-O-PA6 for 2126 West Adams Boulevard Los Angeles, California 90018

Dear Mr. Rausch,

The Murphy Drill Site is a public nuisance. Air pollution, petroleum odors, and noise from the drill site violates residents' health, safety, and the peaceful enjoyment of their homes. While these concerns were shared at the public hearing held on April 28, 2022, many residents were unable to participate due to work and school commitments. Therefore, we submit this sign-on letter from neighbors who were unable to attend and offer comments, but wanted to share their concerns and support of modernization of the Murphy Site.

Sincerely,

Brittney Lu & Jessica Santos Redeemer Community Partnership Community Organizers



HOLMAN UNITED METHODIST CHURCH

Church of the Bells

3320 West Adams Boulevard • Los Angeles • California • 90018 Phone: (323) 703-5868

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May 25, 2022

Mr. Charles Rausch, Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6)

Murphy Drill Site, 2126 W. Adams Blvd.

Dear Mr. Rausch,

For far too long the City of Los Angeles has been an ally of the forces of environmental and social degradation that have robbed South LA residents of life and stolen away our children's health and future.

In the late 1950's, Union Oil and the Catholic Archdiocese of Los Angeles collaborated to open an oil drill site in a Black community. The City approved the plan without remorse, sacrificing our community's health and safety on an altar of greed. This decision and those that followed, have rained down harm upon successive generations.

The Holy scriptures in Proverbs 20:10 tell us that "Differing weights and differing measures—the Lord detests them both". Nevertheless, the City disparately weighed the health and safety of Black lives. Wealthier, whiter, West LA drill sites were enclosed, mandated to use electric workover rigs, and powered by utility connections to minimize health impacts on surrounding residents. These protections, extended decades ago, were not given to South LA. The Murphy Drill Site is open, not enclosed. It uses diesel workover rigs, not electric. It burns millions of cubic feet of methane gas to power the facility instead of using electricity from the LADWP.

Meanwhile, medical research has firmly established oil extraction's health harms ranging from nosebleeds to chronic headaches, increased risks of asthma and other respiratory illnesses, preterm births and increased risk of cancer. The California Geologic Energy Management Division, which regulates oil extraction, moved in 2021 to create a 3,200-foot health and safety buffer around oil drill sites. The Murphy Drill Site is just 40-feet from the nearest home.

A recent peer-reviewed study of nearly 1,000 residents living within 1,000 meters of the Murphy and AllenCo drill sites in South LA showed a substantial reduction in lung health and function. These reductions are equivalent to daily exposure to secondhand cigarette smoke or living next to a busy freeway. Researchers noted that the harms appear to be permanent.

¹Johnston, Jill et al. https://pubmed.ncbi.nlm.nih.gov/33794173/

[&]quot;Inviting people into discipleship with Jesus Christ for the transformation of the world."

Harming the health of our children, limiting their potential, and making them more vulnerable to debilitating and deadly respiratory diseases such as COVID-19 and asthma is the City's legacy of prioritizing corporate wealth over public health.

For far too long the City of Los Angeles has turned a blind eye and deaf ear to violations at this industrial complex embedded in a residential neighborhood.

- The Los Angeles Fire Department refuses to enforce the Fire Code's mandate that idle wells--which create a pathway for toxic and explosive gasses to reach the surface--be reactivated or plugged.
- The Planning Department refuses to enforce rules requiring a Determination of Conditions before tanker trucks pump thousands of gallons of toxic acid into wells next to homes.
- The Department of Building and Safety approves electrical permits for gas-burning "microturbines" that are so big they require three new exhaust stacks that blacken the air we breathe and the side of the building where they are installed.
- The Zoning Administrator has failed to act on illegal well conversions and the installation of unauthorized gas generators.
- Recently, LAFD CUPA refused to immediately investigate the operator for regularly leaving the drill site unattended at night for up to five-and-a-half hours, this despite the operator's assertions to the City and other regulators that it maintained 24-hour personnel coverage.

The operator has exploited the City's malign neglect to further endanger the community. Looking at 2021 alone:

- On January 5, the operator degassed five 21,000 gallon tanks flooding the surrounding neighborhood with noxious fumes. The equipment permits prohibited use of the tanks within 1,000 feet of a school, but there are three schools 870 feet from the drill site; one elementary school with 600 students, a middle school with 447 students, and a high school for 300 students with severe disabilities. The South Coast Air Quality Management District issued two Notices of Violation; one for violating permits and the other for lying to the agency. The operator said the nearest resident lived a half-mile away, instead of 40 feet.
- On March 18 and 25, the operator hired a company to transport and deploy radioactive isotopes at the drill site for well testing. The California Highway Patrol determined that the truck had been unpermitted and illegal for roadway use for more than 12-years.
- May 27, two 5,000-gallon tanker trucks pumped high pressure acid and other toxic chemicals into the ground without a Determination of Conditions in violation of the municipal code.
- October 19, the Department of Industrial Relations Division of Occupational Safety and Health (formerly known as CalOSHA) issued citations for serious violations and fined the operator \$12,130 for endangering workers.
- November 19, a South Coast Air Quality Management District inspector issued a violation notice for a vapor leak greater than 100,000 ppm, twice the level at which methane gas becomes explosive.

Clearly, the operating conditions are not sufficient to protect the health and safety of families. However, the operator has boldly disregarded even these weakest of operating conditions.

Therefore, we call up the City to turn and move in a new direction. These toxic operations are fundamentally incompatible with a residential neighborhood that existed decades before the drill site. While the City opened the door to harming families in our community, the operator drove through in a battering ram. We call on the City to revoke the operator's conditional operating permit.

Yet, if you will not close the drill site, then the very least you could do is extend to our community the same protections extended to "quality" neighborhoods decades ago: enclose the facility, require electric workover rigs instead of diesel, and prohibit the burning of methane gas on site.

We walk with a God who heals the blind eye, cures the deaf ear, and promises beauty for ashes. Our prayers are with you as you consider the cry of our community for racial and environmental justice and as you contemplate a new and just course.

Yours in hope,

Rev. Louis A. Chase

Holman United Methodist Church

Rev. Alonzo Braggs First AME Zion Church

Pastor Carlos De La Roca Iglesia del Redentor / Church of the Redeemer

Rev. Bob Gay Faithful Central Bible Church

Rev. Eddie Anderson McCarty Memorial Christian Church

Rev. Gary Williams St. Mark United Methodist Church

Dr. John Cager Ward AME

Dr. John Cobb The Cobb Institute, Claremont

Dr. John Forney Priest-In-Charge, St. Francis, San Bernardino

Rev. Emery Lindsay Christ Temple Cathedral

Rev. Joyce Kitchen Emmanuel-HM Turner AME Church Richard Parks

Redeemer Community Partnership

Rev. Oliver E. Buie
Abundant Living Family Fellowships

Agnes Dickson, IHM Immaculate Heart Community of LA

Rev. James M. Lawson, Jr. Holman United Methodist Church

Dr. Norman Johnson First New Christian Missionary Baptist Church

Dr. Ken Walden Holman United Methodist Church

Dr. Ignacio Castuera
The Cobb Institute, Claremont

Rev. Victor Cyrus-Franklin Grace United Methodist Church

Dr. Kelvin Calloway Bethel AME

Rev. Lawrence Dove Park Hills Community Church

Rev. John L. Jefferson Del Aire Baptist Church Email to: edber.macedo@lacity.org and connie.chauv@lacity.org

Subject: Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Date: May 19, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance. My husband and I lived directly across the street from the drill site (roughly 100 feet from the entrance on Van Buren Place) for three years, from 2015 to 2018. We have since moved, but continue to be a part of the Jefferson Park/West Adams Community that is directly impacted by the site's negligence.

This site is concerning to me because of the petroleum odors, diesel fumes, and 24/7 noise that rob residents of the peaceful enjoyment of our homes. When I lived across from the site, our street was constantly congested with massive, idling trucks that were either parked illegally or coming in and out of the facility. The smells caused headaches for residents in our building, and the overspray of chemicals (including petroleum) splattered the sides of close-by residential structures.

Over the years my husband and I participated in air quality studies, monitored violations at the site, and appealed to the City to do something about the neglectful, dangerous behavior of the site operators. All of our efforts, along with those of other concerned community members, have been well-documented by organizations like Redeemer Community Partnership. Whenever we could get someone to pay attention, it only resulted in fines that are, frankly, a pittance in comparison to the amount of money the site owners have been able to extract at the expense of the local community's health and safety.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century *before* the drill site arrived.

Therefore, I urge you, <u>at the very least</u>, to extend to our community the same health protections given by your office to wealthier, whiter, West L.A. neighborhoods <u>decades ago</u>. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South L.A. residents is long overdue.

Sincerely,

Name: Amanda Yang

Address: 2042 S. Oxford Avenue

Phone/Email: (951) 333-2832 / amandahearle@gmail.com



October 15, 2021

Mr. Vince Bertoni, Planning Director Department of City Planning City of Los Angeles 200 N Spring St., 5th Floor Los Angeles, CA 90012

Dear Mr. Bertoni,

Information illuminating E&B Natural Resources' (E&B) troubled operation of the Murphy Drill Site (MDS) at 2126 W. Adams Blvd. continues to come to light. This letter addresses E&B's:

- failure to maintain a 24/7 on-site security and emergency response presence,
- use of an unpermitted truck to transport and deploy radioactive isotopes,
- failure to keep site equipment permitted,
- use of a health-harming odor counteractant, and
- construction of high-pressure fossil gas infrastructure to import and burn methane

E&B Leaves Drill Site Unattended

E&B submitted two PA6 application documents representing to the Office of Zoning Administration (OZA) that the Murphy Drill Site always has personnel on site. The Environmental Assessment Form for Oil Form 7832 states that the MDS' security measures include a "guarded gate" and "24 hour on site personnel". E&B made similar representations in its 2020 Spill Prevention, Control, and Countermeasure Plan. However, over the last several months residents have documented E&B's night watchmen leaving the Murphy Drill Site unattended for extended periods.

On Monday, September 27, 2021, the night watchman left the drill for more than 90 minutes. Red emergency-type lights began flashing across the drill site upon his first departure at 9:14pm (see Photo 1). When he returned 72 minutes later at 10:26pm the bed of his truck was filled with electric scooters (see Photo 2). The flashing red lights were extinguished following his return. Several hours later at 1:27am E&B's watchman left the drill site again with a truck full of presumably charged scooters. It appears he redistributed them across the city before returning with an empty truck bed at 1:45am.

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This pattern continued throughout the week. On Saturday, October 2, 2021, the watchman left the drill site at 8:36pm with an empty truck bed and returned 84 minutes later with a load of scooters. He left the drill site again a few hours later at 12:45am with scooters and returned 50 minutes later at 1:35am without them. The watchman was missing from the drill site for more than two hours.

On Sunday, October 3 the night watchman left the drill site unattended for almost three hours over the course of three trips off-site. Rotating red lights, like those on emergency vehicles, flashed during one of his absences and were turned off upon his return.

This egregious and dangerous behavior is not limited to one individual over the course of a week. We have meticulously documented various night watchmen leaving the drill site after dark over a period of several months.

On Wednesday, October 6, the United Neighborhoods Neighborhood Council Planning and Zoning Committee held a public hearing to consider E&B's PA6 application. Mr. Louis Zylstra, E&B senior vice president, was present along with Ted Cordova, director of public and government affairs. Redeemer Community Partnership presented evidence of the night watchmen leaving the drill site for extended periods of time. Mr. Zylstra responded, "People don't leave the site. That site is covered 24 hours." The following evening on Thursday, October 7, the night watchman again left the drill site unattended—twice.

E&B's executive leadership is asleep at the wheel of a hazardous industrial operation embedded in a densely populated urban neighborhood of schools, apartments, high-rise retirement communities, medical facilities, and homes. E&B is telling the City who they are. The City has a duty to believe them.

California Highway Patrol Findings

Earlier this year residents documented an unpermitted well-testing truck transporting and deploying radioactive isotopes at the Murphy Drill Site. The truck was reported to the California Highway Patrol (CHP). A CHP investigation determined that the well testing company hired by E&B had operated this truck without:

- a valid CA Number since July 25, 2019,
- a USDOT Number, and

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• an active Motor Carrier Permit (MCP). In fact, its MCP had been expired for several years.

The CHP report noted, "It is unlawful to operate on the highway without first obtaining a MCP Permit" (see Appendix 1). The CHP's investigation led to the discovery of other problems at the operator's terminal in Bakersfield, including:

- Carrier did not maintain records of different types of vehicle combinations each driver is capable of safely driving on a highway unsupervised.
- Carrier failed to document 90-day safety inspections for vehicles.
- Carrier failed to properly maintain vehicles. One vehicle was placed Out-of-Service and cited for a violation due to broken leaves in its leaf spring assembly suspension.

The CHP also determined that the type of radioactive isotopes used at the drill site did not require vehicle placards. The California Department of Public Health Radiologic Health Branch, provided a fuller description of the MDS activity and the radioactive material used. "They were hired to log the well- via a specialized sprayer, that was loaded with a radioactive tracer (0.5 millicuries of liquid iodine 131) which was placed directly into the top of the wellbore."

Residents without any motor carrier expertise recognized and immediately confirmed a problem with the truck's registration both online and in a call with the CHP Motor Carrier Unit in Sacramento. Did E&B fail to see a problem, or did they know they were hiring a company that cut regulatory corners to transport and deploy radioactive isotopes?

E&B's senior management continues to show the City that they provide insufficient oversight of the drill site. Whether that is due to incompetence, insouciance or some other shortcoming is immaterial. The company does not avoid responsibility by hiding behind contractors that it hires, oversees, and allows to operate on its lease.

Expired Pressure Vessel Permits

E&B submitted voided and expired Pressure Vessel Permits as part of its PA6 application.

Improperly operated or maintained pressure vessels can fail catastrophically, kill and injure workers and others, and cause extensive damage even if the contents are benign. Therefore, the Los Angeles Department of Building and Safety maintains a Pressure Vessel Unit to oversee inspections and permits.

Pressure vessel permits, like most permits, become void upon a transfer of ownership. The permits submitted by E&B for its PA6 application on July 30, 2021, were in the name of the previous operator, Sentinel Peak Resources. The permits submitted also had an expiration date of June 19, 2021.

On September 23, 2021, inspectors from the Los Angeles Department of Building and Safety (LADBS) Elevator and Pressure Vessel Unit confirmed by phone that E&B's pressure vessel permits were expired and voided by the change of ownership. An LADBS Pressure Vessel Unit inspector went to the drill site that morning to inspect the vessels and worked with the operator to renew the permits. The inspector decided not to issue a Notice of Violation because once caught, E&B was compliant. The inspector noted that the record would show the lack of permit continuity.

Residents identified the permit problem and instigated a resolution in the span of a morning. The quick resolution indicates that E&B's senior management could have cured these violations on their own prior to submitting their PA6 application. Whether E&B's senior management failed to recognize the problem or chose to ignore it is again immaterial. The failure to keep its operations properly permitted shows the City a lack of competency or will to safely operate a hazardous industrial complex in a dense, residential community.

Odor Counteractant

On June 4, 2021, the South Coast Air Quality Management District (SCAQMD) received four odor complaints that were then confirmed by an SCAQMD inspector. The inspector issued Notice to Comply E51096 for E&B to "Conduct a specific cause analysis for the 6/4/2021 confirmed odor event and submit the specific cause analysis report as required by rule 1148.1 (f)." E&B submitted its Cause Analysis Report on July 21, 2021, noting:

"E&B has purchased and installed an aromatic diffuser system to mitigate any future odors that might occur, and has put a procedure in place to ensure that the odor control system is activated for the entire duration of all future well servicing work at the Murphy facility."

Residents have photographed what appears to be a nebulizing diffuser capable of dispersing nanoparticles of odor counteractants. It is located by the west wall just 50' from the AIDS Healthcare Foundation's medical clinic (see Photos 4 and 5). Acid yellow liquid from the diffuser can be seen pulsing into clear tubing E&B has strung on the wall (see Photo 6). At times a strong soapy smell hangs in the air where none previously existed.

South Coast Air Quality Management District inspectors sometimes encourage oil companies to use odor counteractants to reduce the number of 800-CUT-SMOG calls that they must respond to. However, odor counteractants only mask the stench of petroleum and the rotten egg smell of extremely hazardous hydrogen sulfide gas. Generally, odor counteractants accomplish this with a powerful and highly toxic class of chemicals called Endocrine Disruptors. These chemicals disrupt reproductive health and fertility across generations.

E&B's PA6 filing discloses the use of an "Odor Counteractant" and provides its CAS Numbers, a unique identifier for each chemical. E&B's Odor Counteractant is filled with Endocrine Disruptors that come with chilling warnings.

"Reproductive Harm – Can disrupt the male or female reproductive systems, changing sexual development, behavior or functions, decreasing fertility, or resulting in loss of the fetus during pregnancy.

Birth Defects – Can cause harm to the developing child including birth defects, low birth weight and biological or behavioral problems that appear as the child grows."¹

It would appear that E&B has a plan for our children, and it is not to give them hope and a future.

LAMC 13.01 Subsection F Condition 18 prohibits harm or injury from operations when better methods are available. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

Therefore, we request the Office of Zoning Administration to obtain the trade name, manufacturer, and Safety Data Sheets for all odor counteractants used at the drill site as well as a complete and transparent explanation for how and where E&B is using these odor counteractants. This information is essential to assessing whether E&B complies with Condition 18's prohibition of harmful or annoying substances which can be eliminated or diminished using greater care or technological improvements in methods.

¹ "Polyethylene Glycol Mono(Branched P-Nonylphenyl) Ether." ChemHAT, https://chemhat.org/en/material/2013092.

Fossil Gas Power Generation

Earlier this year Redeemer Community Partnership brought to the Planning Department's attention E&B's plan to install a high-pressure gas main to buy methane from SoCalGas and burn it in turbines to power the drill site. Recent Department of Building and Safety permits indicate that this plan is nearly complete.

It is important to remember that the City never formally approved microturbine permits to burn waste gas at the Murphy Drill Site. Instead, the operator installed the microturbines and then spent years trying to slip them into planning documents by reference.

This avoided OZA consideration of their health impacts and the availability of less harmful alternatives like reinjecting gas back into the oil field. It appears the operator decided to install the microturbines without permission and apologize if it got caught. It need not have worried.

When the City discovered the conflict between unpermitted microturbines and Condition 43 requiring electric power only and prohibiting onsite power generation, it simply removed Condition 43, an important health protection for residents.

It was not the City's responsibility to solve the operator's off-spec waste gas problem, particularly when the solution harmed the health of children. However, the removal of Condition 43 had a terrible and probably unforeseen consequence.

While removing Condition 43 opened the door to burning waste gas, E&B is now driving a battering ram through this opening by installing a high-pressure gas line to import and burn fossil gas to power the drill site.

CalEnviroScreen scores represent a combined measure of pollution and the potential vulnerability of a population to the effects of pollution. The neighborhood around the Murphy Drill Site ranks in the 95th percentile of disadvantaged communities in California according to CalEnviroScreen 4.0.

While the City has removed Condition 43 protection from South LA, it has kept the condition in wealthier, whiter, West LA drill sites. For example, the Packard, San Vicente, and West Pico drill sites all maintain Condition 43.

E&B's efforts to import and burn gas to generate electricity contravene the Municipal Code. It is clearly inconsistent with LAMC 13.01 Subsection F Condition 18 which prohibits harm or injury from operations when better methods are available. Better methods, such as reinjecting waste gas and powering the drill site using an existing LADWP connection, are readily available.

Burning imported gas will release substantial amounts of CO2 per year and even more health-harming air pollutants. Therefore, we urge the Office of Zoning Administration to protect public health by reimposing Condition 43 in the upcoming review of conditions.

Conclusion

Even if E&B was an exemplary oil company, a large and growing body of research underscores the fundamental incompatibility of oil drilling in residential neighborhoods. Research specific to the Murphy Drill Site shows that its operating conditions fail to protect the health and safety of children and their families. Furthermore, a review of conditions at drill sites in wealthier, whiter, West LA neighborhoods shows that the City has afforded far fewer protections to South LA residents, even though this community is more disadvantaged and impacted by pollution. The effects of this systemic and decades-long discrimination must be redressed. A modernization of the Murphy Drill Site's operating conditions to protect vulnerable children and families is decades overdue.

However, the OZA must recognize that E&B is not exemplary. Rather, E&B's senior management continues to show the City who they are. They appear unwilling or unable to comply with their operating conditions and other regulatory statutes. They have repeatedly failed to identify and address violations that are obvious to laypersons. They have denied and turned a blind eye to serious operational failures even after they were brought to their attention. They have prioritized their wealth over public health, making decisions without regard to the well-being and safety of children and families living adjacent to their operations.

A clear-eyed view of E&B's compliance failures coupled with the inordinate risks to residents, workers, and first responders underscores the need for a fail-safe solution; one that can only be achieved by revoking the operator's conditional land use permit.

We are grateful for your careful consideration of this matter.

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Kind regards,

Richard Parks

President

Estineh Mailian, Chief Zoning Administrator, estineh.mailian@lacity.org

Jennifer Tobkin, Deputy City Attorney, jennifer.tobkin@lacity.org

Edber Macedo, City Planning Associate, edber.macedo@lacity.org

Photos



Photo 1: Flashing red lights were triggered at the Murphy Drill Site on September 27, 2021, as the night watchman's vehicle exited the drill site. They continued flashing until just after his return more than 90 minutes later.



Photo 2: The night watchman returns to the drill site with a load of electric scooters on September 27, 2021.



Photo 3: An unpermitted well-testing truck parked under E&B's surveillance camera on March 25, 2021.

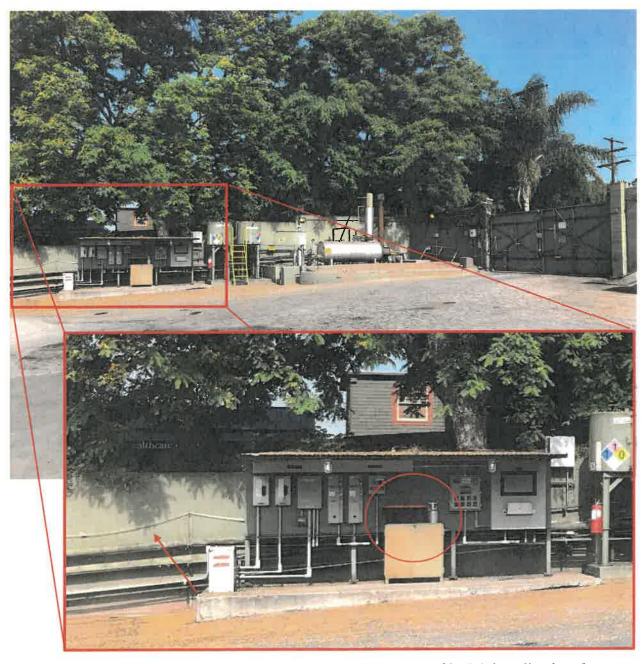


Photo 4: An enlargement of "Photo 4" submitted by E&B as part of its PA6 application shows what appears to be a silver diffuser sitting on a cabinet next to a black bin with a red lid. A clear plastic tube runs along the wall from the silver device. The AIDS Healthcare Foundation's medical clinic is visible in the background just above the wall.

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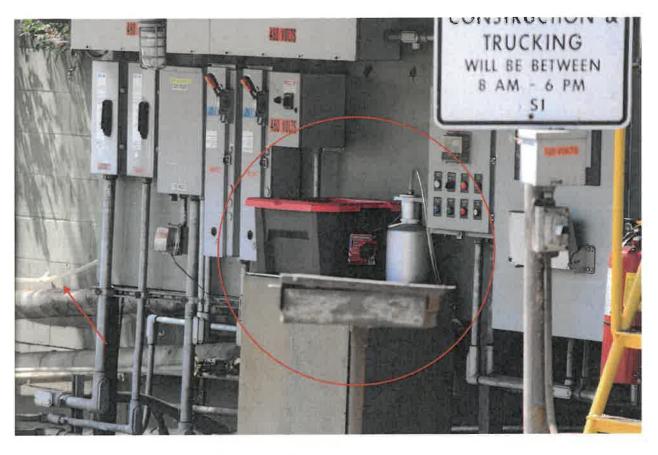


Photo 5: The silver device appears to be a diffuser for dispersing odor counteractant. A clear plastic tube emerges from the top, runs under the shelter and then along the wall shared with the AIDS Healthcare Foundation. The device appears to be connected to the black plastic bin by a white tube.



Photo 6: Clear tubing strung along the shared wall with the AIDS Healthcare Foundation, pulses with acid-yellow liquid from what appears to be an odor counteractant diffuser.



October 29, 2021

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6)

Murphy Drill Site, 2126 W. Adams Blvd.

Dear Ms. Mailian,

Following Redeemer Community Partnership's October 15, 2021, correspondence and in response to a request from the Office of Zoning Administration, you will find enclosed a log of instances when E&B Natural Resources (E&B) appears to have left the Murphy Drill Site unattended.

On Sunday, May 16, 2021, residents observed E&B's night watch leave the drill site at 10:18pm. Immediately, red lights began to flash. He returned to the drill site at 10:40pm and extinguished the flashing red lights. I called the Murphy Drill Site at 10:41pm to ask what the flashing red lights indicated. The night watch informed me that he had not seen the lights flashing because he had been in the well cellar. Later in the conversation he mentioned that the lights started flashing because he had forgotten to hit the gate by-pass, a tacit admission that he had left the drill site. He confirmed that the drill site is staffed by one person at night.

Residents then began tracking nighttime departures from the drill site in June 2021. You will no doubt appreciate that collecting this information is both time-consuming and tedious, one that residents cannot carry out 24/7. Therefore, this chronological log is not comprehensive. However, it is representative of a serious and on-going breach of safety protocols.

This dangerous practice continues despite Redeemer Community Partnership directly informing E&B Natural Resources' senior vice president, Louis Zylstra, that his staff was leaving the drill

site unattended. This occurred at the October 6, 2021, United Neighborhoods Neighborhood Council Planning and Zoning Committee's public meeting to consider E&B's PA6 application. Mr. Zylstra responded to the presentation of photos stating, "People don't leave the site. That site is covered 24 hours."

Notwithstanding Mr. Zylstra's public denials, residents had hoped these safety breaches would end following this public exchange. They have not.

Last Sunday, October 24, 2021, E&B left the drill site unattended three times for a total of 164 minutes. E&B's night watch was observed once again returning to the drill site with electric scooters in the bed of his pickup truck, apparently to charge before leaving later during his shift to redistribute them across the city (Photo 1).

Enclosed you will also find a representative sample of photos documenting the array of E&B staff vehicles leaving and/or returning to the drill site after dark. The photos show that this practice is pervasive and, apparently, condoned by E&B's senior management despite their public and regulatory assertions to the contrary.

E&B continues to show the City who they are. We have a duty to believe them.

Please let me know if you have any questions or need additional information. Thank you for your careful consideration of this matter.

Kind regards,

Richard Parks

President

cc: Lisa Webber, Deputy Director, <u>lisa.webber@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>

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E&B Murphy Drill Site Night Staff Departures & Returns

Date	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure
2021-10-24	Sunday	Silver Truck	4:38 PM	7:42 PM 10:45 PM 1:31 AM	9:13 PM 11:04 PM 2:25 AM	91 min 19 min <u>54 min</u> Total: 164 min	5:02 AM
2021-10-23	Saturday	Silver SUV	4:44 PM	9:02 PM	9:17 PM	15 min	5:06 AM
2021-10-22	Friday	Silver SUV	4:50 PM	6:33 PM	7:00 PM	27 min	5:12 AM
2021-10-21	Thursday	Silver SUV	5:04 PM	8:44 PM	9:23 PM	39 min	4:49 AM
2021-10-19	Tuesday	Silver SUV	4:53 PM	6:53 PM 9:24 PM	7:20 PM 9:41 PM	27 min <u>17 min</u> Total: 44 min	
2021-10-18	Monday	Silver SUV	4:39 PM	6:53 PM	7:08 PM	15 min	
2021-10-08	Friday	Silver Sedan	4:46 PM	6:36 PM	6:53 PM	17 min	
2021-10-07	Thursday	Silver Sedan	4:26 PM	6:34 PM 6:47 PM	6:46 PM 6:59 PM	12 min <u>12 min</u> Total: 24 min	
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2021-10-02 2021-09-28	he United Neighe LA Basin, Lou Sunday Saturday	Silver Truck Silver Truck	nood Council's Plann nt. 4:30 PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM 9:14 PM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM	73 min 78 min 35 min Total: 186 min 50 min Total: 134 min 18 min 72 min 18 min 18 min	5:18 AM 5:08 AM 5:10 AM
2021-10-02 2021-09-28 2021-09-27	he United Neighe LA Basin, Lou Sunday Saturday Tuesday Monday	Silver Truck Silver Truck Silver Truck	4:30 PM 4:42 PM	7:52 PM 10:13 PM 2:36 AM 8:36 PM 12:45 AM 6:02 PM 9:14 PM	9:05 PM 11:31 PM 3:11 AM 10:00 PM 1:35 AM 6:20 PM 10:26 PM 1:45 AM	73 min 78 min 35 min Total: 186 min 84 min 50 min Total: 134 min 18 min 72 min 18 min Total: 90 min	5:18 AM 5:08 AM 5:10 AM
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E&B Murphy Drill Site Night Staff Departures & Returns

Date	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure
2021-07-14	Wednesday	Silver Sedan	3:57 PM	9:40 PM	9:55 PM	15 min	5:35 AM
2021-07-06	Tuesday	Silver Truck	4:44 PM	9:19 PM	9:38 PM	19 min	5:15 AM
2021-07-03	Saturday	Green SUV	4:38 PM	6:53 PM 10:16 PM	7:23 PM 10:34 PM	30 min <u>18 min</u> Total: 48 min	4:55 AM
2021-07-02	Friday	Green SUV	4:45 PM	5:50 PM 9:13 PM	6:22 PM 9:39 PM	32 min <u>26 min</u> Total: 58 min	4:47 AM
2021-06-30	Wednesday	Silver Truck	4:47 PM	7:13 PM	7:29 PM	16 min	5:04 AM
2021-06-29	Tuesday	Silver Truck	4:43 PM	7:25 PM	7:44 PM	19 min	5:03 AM
2021-06-18	Friday	Green Truck		5:09 PM	5:19 PM	10 min	
2021-06-13	Sunday	Silver Truck	4:32 PM	9:03 PM	9:21 PM	18 min	
2021-06-12	Saturday	Silver Truck	4:46 PM	7:01 PM	7:19 PM	18 min	
2021-06-09	Wednesday	Green SUV	4:51 PM	8:55PM 9:11PM	9:10PM 9:27PM	15 min <u>16 min</u> Total: 31 min	

Photos



Photo 1: E&B's night watch returned to the Murphy Drill Site with a load of electric scooters in the bed of a small, gray pickup truck on Sunday, October 24, 2021 at 9:13pm. The driver approached the drill site from the north on Gramercy Pl., ran a red light on Adams Blvd., activated the gate remotely, and swiftly pulled in. He had been absent for 91 minutes.



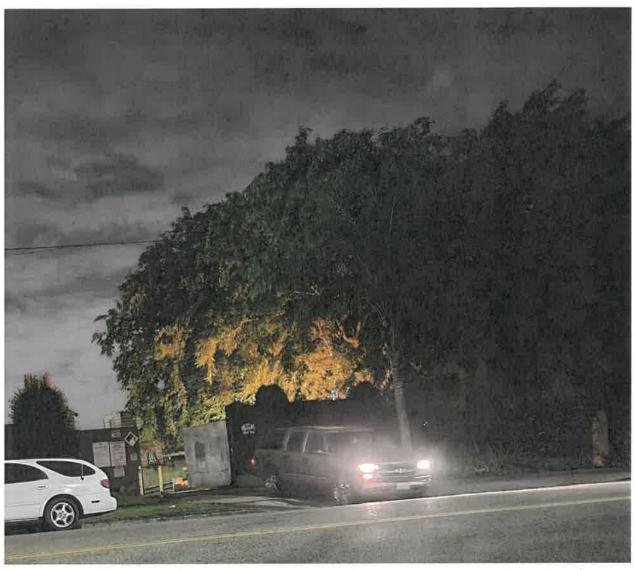


Photo 2: E&B's night watch exited the Murphy Drill Site in a large, silver SUV on Saturday, October 23, 2021 at 9:02pm. The drill site gate is open.

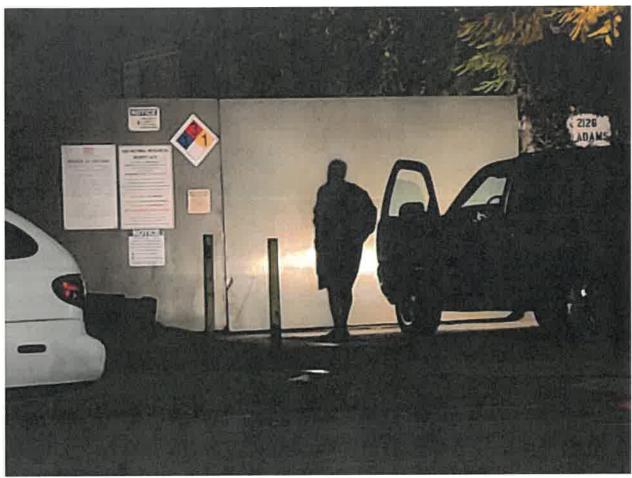


Photo 3: Following a 15-minute absence, E&B's night watch returned to the drill site on Saturday, October 23, 2021 at 9:17 p.m. He exited his vehicle to open the gate using a keypad located near the posted address.

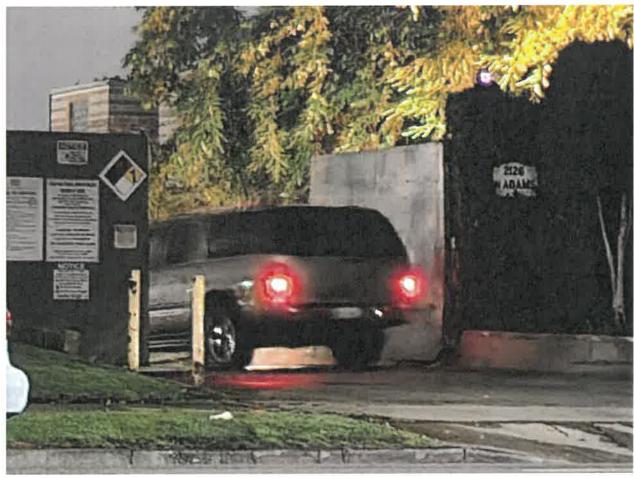


Photo 4: E&B's night watch entered the drill site on Saturday, October 23, 2021, at 9:17pm.



Photo 5: E&B's night watchman returned to the drill site with a load of electric scooters on September 27, 2021 at 10:26pm following a 72-minute absence.



Photo 6: On June 19, 2021, E&B's night watch staff returned to the Murphy Drill Site at 10:32pm in a silver sedan.



Photo 7: E&B's night watch returned to the drill site in a green SUV on June 9, 2021, at 9:10pm.

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OXY
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Department of Population and Public Health Sciences

TO: Mr. Charles Rausch, Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

RE: CASE NO. ZA-15227(O)(PA6) Murphy Drill Site, 2126 W. Adams Blvd.

April 12, 2022

This letter is submitted to support public health protections for residents living nearby drill operations. Oil and gas extraction wells can impact the neighboring communities from construction, production, processing and transportation. Air surrounding oil and gas production areas is particularly vulnerable to toxic emissions Recent research measured multiple health-hazardous air pollutants associated with petroleum extraction, including particulate matter (PM), nitric oxides (NOx), polyaromatic hydrocarbons, benzene, naphthalene, xylenes, toluene, ethylbenzene, formaldehyde, and sulfuric acid.¹ Chemicals associated with oil extraction and production include carcinogens, mutagens, reproductive toxins, irritants and endocrine disruptors.²-6 These chemicals can migrate off-site due to fugitive emissions, spills, leaks, or accidents.²-5,7 Air quality is further compromised by truck traffic to and from the drilling site or operation of diesel equipment.

Exposure to these air pollutants have been shown to be higher in areas near drilling sites ^{4,5,8,9} — and the scientific literature demonstrates adverse human health impacts from exposure to these chemicals. ^{8,10} Acute inhalation exposures to petroleum hydrocarbons have found increased risks of eye irritation and headaches, ^{11,12} as well as asthma symptoms. ¹³⁻¹⁵ Few protections are in place to prevent the release of pollutants into nearby residential areas. ^{16,17} These issues can be heightened when drill sites operate in violation of existing regulations.

The neighborhoods surrounding the Murphy drill site are among the top 10% most disproportionately-environmentally burdened communities in the state, according to CalEnviroScreen, thus residents living in this community face some of the highest combined cumulative environmental, social, and economic burdens. Air quality studies in the community found higher concentrations of climate- and health-damaging air pollutants in close proximity to oil and gas development sites compared to farther away. Our research further documented research episodic oil-related air pollution events in the community. 19-21

Health studies we conducted near the Murphy drill site in the City of Los Angeles, found that residents living near Murphy drill site reported significantly higher prevalence of wheezing, eye and nose irritation, dizziness and odors compared with the idle site in North University Park.²² Further we



measured FEV1 (forced expiratory volume in the first second of exhalation) and FVC (forced vital capacity and self-reported acute mental and physical health symptoms. FEV1 and FVC are established strong and independent predictors of respiratory disease, cardiovascular mortality and all-cause mortality.²³⁻²⁶ We observed that living near (<200m) of oil operations was associated with, on average, -94 mL lower FEV1 (95% CI: -190, -2) and -105 mL lower FVC (95% CI: -224, 14) compared to residents living more than 200m from the wells after adjustments for covariates, including age, sex, height, race/ethnicity, asthma status and smoking status. When accounting for predominant wind direction and proximity, we observed that residents living downwind and less than 200m from oil operations have, on average, -231 mL lower FEV1 (95% CI: -410, -52) and -280 mL lower FVC (95% CI: -502, -59) compared to residents living upwind and more than 200m from the wells. When stratified by neighborhood, the magnitude of the difference was larger for residents near the active compared to the idle well. Thus, we found preliminary evidence that proximity to oil drilling, even in an urban environment, can have impacts on respiratory health.

The data is consistent with the larger body of research in the state of California and across the country. Living near petroleum extraction activity has been linked to adverse pregnancy and birth outcomes, 27-32 hematopoietic cancer, 33,34 alteration of immunological function 35,36,37 and increase risk of asthma emergency visits. 14,15,38

From a public health perspective, it is important to reduce community exposures to harmful pollutants at home, in schools and at workplaces.

Sincerely,

Jill Johnston, PhD Associate Professor

Director, Community Engagement Division of Environmental Health

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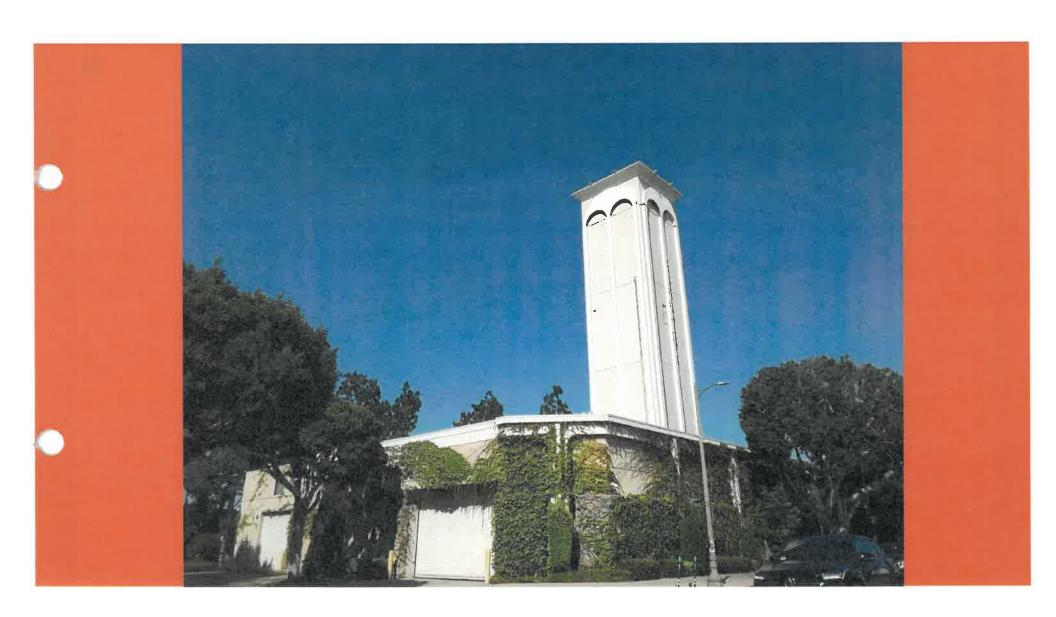


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10S

ERIC GARCETTI MAYOR

DATE:

December 5, 2022

TO:

Mr. Charlie Rausch, Associate Zoning Administrator

Mr. Edber Macedo, City Planner

FROM:

Erica Blyther, Petroleum Administrator

Office of Petroleum and Natural Gas Administration & Safety

SUBJECT:

ZA-15227-O-PA6 MURPHY DRILL SITE PLANNING REVIEW-

ADDITIONAL INFORMATION

Dear Charlie and Edber,

Thank you so much for your patience. Please find attached the information requested following our conversation regarding the Murphy Drill Site compliance review. Supporting documents are attached and the OPNGAS 17-0447 Oil and Gas Health Report (2019) is linked.

The Zoning Administrator requested that the Office of Petroleum and Natural Gas Administration and Safety(OPNGAS) provide additional information on the items listed below. This information is compiled and attached.

- Summary of the third-party annual inspections conducted at Rancho Park as reported to the City, including the ZA determination requiring the inspections. This information is requested following the Murphy Compliance Hearing public comment requesting annual onsite inspections at the Murphy Site be performed by the City OPNGAS. The Office of Petroleum and Natural Gas is not an enforcement agency that performs inspections but is a subject matter expert that can review inspections performed by third parties.
- Air monitoring measures, including suggested guidelines for monitoring key pollutants. This is in response to public comments following the Murphy Compliance Hearing.
- State regulatory rules and guidelines surrounding the burning or flaring of methane at oil and gas facilities, including the use of gas microturbines. This is in response to public comment following the Murphy Compliance Hearing.
- Diesel Machinery Conditions outlined in the CF 17-0447 OPNGAS Health Report to be applied to well-work machinery such as workover rigs. This is in response to the public comment following the Murphy Compliance Hearing requesting electric workover rigs. However, it is worth noting that this technology is unavailable in the United States.

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December 5, 2022
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 Acid and chemical well maintenance operations information outlined in the CF 17-0447 OPNGAS Health Report, CalGEM regulatory requirements and AQMD 1148.2 Proposed Amended Rule status. This is in response to public comment following the Murphy Compliance Hearing.

OPNGAS CF 17-0447 Oil and Gas Health Report, 2019

(https://clkrep.lacity.org/onlinedocs/2017/17-0447_rpt_BPW_07-29-2019.pdf)

I. Third-party annual inspection to be reported to the City:

See Rancho Park Inspection Language for reference - Rancho Park Inspection ZA Information (https://clkrep.lacity.org/onlinedocs/2017/17-0149-S2 rpt bpw 9-28-22.pdf) "An Annual Safety Inspection report which adheres to the criteria of the 2017 inspection report produced by the Petroleum Administrator, shall be generated by the applicant/operator and sent to the Zoning and Petroleum administrators, listing the inventory of equipment on site, any repair work, and / or maintenance done to always keep the equipment in good condition. The safety inspection is completed each year to review safety and compliance practices. A comprehensive report is issued by August 15th, each year to the City. The first Annual Safety Inspection report shall be submitted within 45 days of the anniversary of this determination."

II. Air monitoring measures:

OPNGAS Health Report

See "Air Quality Mitigation Measures" outlined in CF 17-0447 Oil and Gas Health Report (pg. 80). "The SCAQMD regulates oil and gas production equipment such as oil wells, flares, micro-turbines, gas separators, and other facility processing equipment. Oil field activities are regulated via standard air quality permits which are pulled by operators or suppliers of equipment and are enforced by SCAQMD inspectors. In addition, groups of oil and gas wells require a registration permit.

At present, the SCAQMD standard air quality permits or registration permits are independent of State or City permitting processes. Under SCAQMD Rule 1148.2 (2013) – Notification and Reporting Requirements for Oil and Gas Well and Chemical Suppliers, onshore oil and gas well operators and chemical suppliers are required to electronically submit to the SCAQMD various types of reports related to well drilling, well completion, and well reworks. The public notifications include basic information about the owner or operator, the well location, the type of activity that will be conducted, and the distance to the nearest sensitive receptor up to 1,500 feet from the well. The District hosts two publically accessible online databases for 1) chemicals usage and 2) oil and gas activity reports from across the Air Basin."

Fence line Monitoring-By Operator

Fence line monitoring is defined as a program at the periphery of a facility, consisting of a chemical analyzer station, an air sampling system (typically containing no less than four [4] sampling inlet points at site specific locations around a facility), and a meteorological weather station. Fence line air monitoring systems are used to measure specific pollutants that cross the facility's fence line in real time. A system should have the ability to monitor, record, and report air pollutant levels of multiple compounds. Installation of a fence line air monitoring system at drill site by operator (an installation has already been completed at Murphy). OPNGAS recommendations include:

- 1. Confirm what is being monitored. Include monitoring of total hydrocarbon vapors and hydrogen sulfide.
- 2. Do monitors provide automatic alarms? Verify alarm points.
- 3. Monitoring equipment such as Photo-ionization detectors (PID), electrochemical cells (EC), PID and EC should continuously measure VOCs and H2S at a facility fence line with detection limits:
 - 10-25 ppb VOCs (Volatile Organic Compounds- Benzene, Toluene, Ethyl Benzene, Xylene-Carcinogens),
 - 10 ppb H2S (Hydrogen Sulfide-Toxic, bad smells-caused the recent Carson odor event)

Fence line Monitoring-By OPNGAS

Following the Mayor's approval of the Climate Equity Fund, the Office of Petroleum and Natural Gas (OPNGAS) will be contracting fence line air quality monitoring at all 16 oil extraction sites within the City of Los Angeles.

The Ordinance is Council File Number: 22-0600-S90, "Climate Equity Fund / Special Fund Establishment / Ordinance."

https://cityclerk.lacity.org/lacityclerkconnect/index.cfm?fa=ccfi.viewrecord&cfnumber=22-0600-S90

The ordinance was scheduled for the Energy, Climate Change, Environmental Justice, and River Committee on 9/15/22 where it was approved, Budget and Finance Committee on 9/19/22 where they waived consideration, and LA City Council on September 23, 2022, where it passed unanimously. It was signed by the Mayor on 9/29/22 and It went into effect on 11/9/22.

The OPNGAS plans to release a RFP soliciting consultants to conduct the fence line monitoring in the near future.

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December 5, 2022
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IV. Higher Emission Tiers for Diesel Engines (due to unavailability of electric workover rigs):

- Electric Drilling Rigs exist, but electric workover rigs are not currently available in the
 US. Without workover rigs, wells cannot be abandoned properly, and problems with the
 wells cannot be troubleshooted or repaired. Requiring high diesel emission standards of
 well work machinery could lessen the environmental and health impacts of this
 equipment while ensuring proper maintenance and well work is still occurring to
 maintain a safe and healthy well site.
- There is other well work machinery that may look like a rig to the public and is diesel powered. Diesel powered well work machinery and their uses may include workover rigs (pulling and running tubing, cement jobs, abandonments, running packers), wireline trucks (cleanouts, running bridge plugs, diagnostics/logs), coil tubing units (has a crane, cleanout runs, circulating, pumping), pump trucks, transport trucks, cleanout equipment etc.
- Due to the lack of availability of electric workover rigs, OPNGAS recommends utilizing diesel equipment with the highest emission Tiers possible. Diesel Machinery Conditions outlined in CF 17-0447 Health Report- Air Quality Related Mitigation Measures include Measure 4: Equipment Emission Reductions (pg. 82) "CARB-Verified Level 3 diesel catalysts on all diesel-powered drilling [or well work] equipment or utilize diesel engines that have an equivalent PM emission rate (EPA Tier 4 Engine Standards[https://www.epa.gov/regulations-emissions-vehicles-and-engines/regulations-emissions-heavy-equipment-compression]) or electric drilling rigs. The current list of CARB-Verified Level 3 diesel catalysts is located at http://www.arb.ca.gov/diesel/verdev/vt/cvt.htm. Catalysts or engine certifications shall demonstrate achieving 85% reduction for diesel particulate matter.
- Additional information on CARB's Diesel Risk Reduction Plan can be found at: https://ww2.arb.ca.gov/our-work/programs/diesel-risk-reduction-plan

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V. Acid and Chemical Well Maintenance Operations:

OPNGAS Health Report

- See PSE Chemical Inventory Assessment outlined in CF 17-0447 Oil and Gas Health Report (pg. 35) for descriptions of well activities involving acid: "Human health and oil and gas development: An assessment of chemical usage in oil and gas activities in the Los Angeles Basin and the City of Los Angeles (The Full Chemical Assessment Report is Appendix A4-2 and A4-3[https://clkrep.lacity.org/onlinedocs/2017/17-0447 misc 6 07-29-2019.pdf]) Well completion and rework events can be further categorized according to activity type including: acidizing, maintenance acidizing, acid fracturing, matrix acidizing, gravel packing, and hydraulic fracturing. A brief description of these activities are provided below (CCST et al., 2015b; SCAQMD, 2015):
 - Acidizing: use of acid to clean out scale, damage, or other debris in the wellbore/formation, or to react with the soluble substances in the formation, thereby enhancing permeability and well production.
 - Matrix acidizing: use of low-pressure acid injection into a formation to dissolve solids and sediments, thereby enhancing permeability and well production.
 - o Maintenance acidizing: use of acid to clean out scale, damage, or other debris in the wellbore or reservoir formation.
 - Acid fracturing: stimulating a formation by pressurized injection of acidic fluid to fracture the formation and etch walls of fractures, thereby enhancing permeability and well production.

PSE's analysis of chemical use in upstream oil and gas operations in the City and the SCAQMD more generally, resulted in six (6) findings, conclusions and research and policy recommendations (FCR):

FCR 6: The majority of events reported by SCAQMD are conventional oil and gas operations and data suggests this trend will continue (pg. 47).

Finding: Maintenance acidizing, gravel packing, and well drilling account for approximately 83% of reported events that involve the use of chemicals in the SCAQMD. In contrast, well stimulation activities such as hydraulic fracturing, matrix acidizing, and acid fracturing play a minimal role in oil and gas development, accounting for approximately 1% of all events. The distribution of events by activity type has remained relatively consistent throughout the study period.

Conclusion: Despite the decrease in reported events since 2014, the distribution of events by activity type remained relatively consistent, suggesting that maintenance acidizing, gravel packing and well drilling will continue to be the dominant oil and gas activities in the SCAQMD and the City. An examination of the underlying petroleum geology of the Los Angeles Basin revealed the similarity between the oil producing reservoirs in the region. If new oil fields are

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developed in the basin, development practices are not expected to significantly differ from past development.

Recommendation: Future studies should focus on chemical hazards in routine and conventional oil and gas operations in the SCAQMD. Full disclosure of chemical identities in a manner similar to Senate Bill 4 is required for a more thorough understanding of chemical use in oil and gas operations in the City and the Los Angeles Basin.

State Level-California Geologic Energy Management Division (CalGEM)

- CalGEM formerly known as the Division of Oil, Gas, and Geothermal Resources (DOGGR), is California's regulatory entity for oil, gas, and geothermal production. On July 18, 2022, CalGEM released a Request for Information (RFI) (https://www.conservation.ca.gov/calgem/Documents/CalGEM%20Request%20for%20Information%20Acid%20Treatment%20Data%20Reporting%20July%202022.pdf) to seek stakeholder input on opportunities to strengthen regulations related to acid treatment data reporting. The comment period will be open from July 18, 2022 August 31, 2022. Information gathered will guide future actions, which may include building upon the existing regulatory framework for well maintenance to address issues identified by CalGEM and other key stakeholders related to acid treatment reporting. https://www.conservation.ca.gov/calgem/Pages/Acid-Treatment-Data.aspx
- California Code of Regulations(CCR), title 14, section 1777.4, requires that within 60 days of completing an operation on a well that involves emplacing fluid containing acid in the well or involves application of pressure to the formation that exceeds formation pore pressure, but is not a well stimulation treatment, an operator is required to submit information about the operation to the Geologic Energy Management Division (CalGEM) See CalGEM Well Maintenance website for additional information.
 https://www.conservation.ca.gov/calgem/Pages/Well-Maintenance.aspx
- CalGEM Aggregated Data Reporting: Subject to the approval of CalGEM, under CCR, title 14, section 1777.4(d), an operator may propose a plan for submitting aggregated information regarding a specific type of repeated operation that involves emplacing fluid containing acid in the well, yet clearly does not meet the definition of a well stimulation treatment. Once approved, aggregated data is due to CalGEM annually on January 31.
 E&B Natural Resources Request for Aggregate Chemical Plan Approval Las Cienegas Field, 01/28/2021: (Attached) "The field requires routine maintenance to control scale buildup in both the tubing and the perforations. The scale is mostly Calcium Carbonate which requires chemical remediation. The fluid used is a combination of acid, chemical additives, and corrosion inhibitors. The typical volumes range between 10-30 gallons per foot of perforations. All of the remedial jobs have been, and will remain, well under the volume and pressure limitations set by SB-4."

Murphy December 5, 2022 Page 9 of 10

Local Level

The South Coast Air Quality Management District (SCAQMD) Proposed Amended Rule 1148.2 – Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers

Proposed Amended Rule 1148.2 Webpage: http://www.aqmd.gov/home/rules-compliance/rules/scaqmd-rule-book/proposed-rules/rule-1148-2

Assembly Bill 617 Community Steering Committee (CSC) Meetings for South Los Angeles (SLA) and Wilmington, Carson, and West Long Beach (WCWLB) areas brought up concerns related to Oil and Gas facilities. In April 2022 SCAQMD kicked off a series of Working Groups to solicit community and operator input on revising Rule 1148.2. Working groups were held from April to October 2022. On October 4, 2022 draft Proposed Amended Rule language was put forth:

"The South Coast Air Quality Management District (South Coast AQMD) staff proposes to modify requirements in Rule 1148.2 – Notification and Reporting Requirements for Oil and Gas Wells and Chemical Suppliers (Rule 1148.2) in response to concerns raised by communities located in the Wilmington, Carson, West Long Beach (WCWLB) area and South Los Angeles (SLA) area. Rule 1148.2 applies to over 300 operators of onshore oil or gas wells located within the jurisdiction of the South Coast AQMD that conduct oil and gas well drilling, well completion, well rework, and well injection activities. Proposed Amended Rule (PAR) 1148.2 will do the following:

- 1) add three new definitions to further clarify the amendments being proposed,
- 2) revise the notification time from no less than 48 hours to no less than 72 hours prior to the start of drilling, well completion, rework or acidizing of an onshore oil, gas, or injection well,
- 3) add an alternative process if the Notification portal is inaccessible,
- 4) reduce the number of extensions from five to three,
- 5) add workover rig operations to the notification requirements,
- 6) add injection well acidizing to the notification requirements, and
- 7) delete an obsolete reporting requirement.

Additional minor changes to rule language will be made for consistency and clarity."

- The Public Hearing to adopt the rule was moved from November 4, 2022 to 1st Quarter 2023 to address additional concerns raised by community stakeholders
- The next Working Group Meeting date is to be determined.

Contact Person: Jose Enriquez (Rule 1148.2)

Title: Air Quality Specialist Phone Number: (909) 396-2640

Email Address: jenriquez1@aqmd.gov

Murphy December 5, 2022 Page 10 of 10

<u>Disclaimer</u>: If the scope of this request had been broader or additional items requested for evaluation, then the findings may have been different. There may also be additional records that were not accessible or available for consideration in this report.

If you have any questions, please contact me at (213) 978-2679 or via email at Erica.Blyther@lacity.org.

Submitted by:

ERICA BLYTHER

Petroleum Administrator

Attachment 1 - Matrix for Compliance Rancho Park 08012022

Attachment 2 - ZA-1958-14560 DL

Attachment 3 - Appendix covers_Annual Safety Inspection_HBOC_Rancho Park_8-8-2022

Attachment 4 - HBOC Rancho Park Annual Inspection report 2022-Cover Letter

Attachment 5 - Rancho Park Drill Site Annual Safety Inspection_2022_hpb_RB

Attachment 6 - Microturbines Fact Sheet_DOE_2016

Attachment 7 - CARB DRAFT 2022 SCOPING PLAN UPDATE_05102022

Attachment 8 - CARB 2022-draft-sp-appendix-b-draft-environmental-analysis

Attachment 9 - Las Cienegas Aggregate Submission 2021 Murphy Acid jobs



April 27, 2022

Charles Rausch, Associate Zoning Administrator Connie Chauv, City Planner

RE: Case No. ZA-15227(O)(PA4) + (PA6), 2126 West Adams Blvd. (Murphy Drill Site) Plan Approval (Review of Conditions and Compliance)

Dear Associate Zoning Administrator Rausch:

I am writing this letter on behalf of the United Neighborhoods of the Historic Arlington Heights, West Adams and Jefferson Park Communities Neighborhood Council (UNNC). I have attached two Board Action Certificates (BACs) with UNNC's final motions and vote counts in the above-referenced matter.

The following letter summarizes how UNNC came to the decisions that are reflected in the attached two motions that make a request to the Zoning Administrator to add a total of six new conditions to the existing CUP.

UNNC has been engaged in evaluations of the Murphy Drill Site since 2004, when we filed our first Community Impact Statement – a CIS associated with Case No. ZA 15227(O)(PA2), also a Review of Compliance case involving a long-ago prior operator at this location. In that first (to us) case, our primary request was to request that the Zoning Administrator modify the existing CUP to provide a landscape buffer on all sides of the subject property. Over subsequent years, UNNC and its stakeholders have met with multiple site operators, and weighed in on multiple related cases involving oil drilling operations at this site, with concerns ranging from noise when rigs are active; truck traffic within the residential area; and, importantly, a controversial matter involving a proposed CEB gas burner at the site (a request that was withdrawn.)

The current case arises from a series of complaints about the operation.



WWW.UNNC.ORG

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After an hour of presentations, questions and discussion, UNNC passed two Motions:

1). "Motion to approve the E&B Natural Resources plans for annual onsite inspections, supplemental emergency reporting, and perimeter air monitoring for the Murphy Oil Site." Motion passed: 11 yes, 5 no, 2 abstain, 1 recused

As UNNC learned in our meetings with a little more detail, the <u>E&B's proposed additional</u> <u>conditions</u> are: A.) to have physical inspections that are conducted on the oil drilling site, rather than so-called "desk inspections" where the City reviews paperwork only; B). Perimeter air monitoring at the edges ("fence line") of the drilling site; and C). More information to be provided to the community regarding E&B's supplemental emergency planning.

2). "Motion for the UNNC to recommend to the Zoning Administrator that E&B Natural Resources enclose the drill site, require electric work-over rigs instead of diesel and to prohibit the burning of methane gas on-site to generate electricity." Motion passed: 11 yes, 4 no, 3 abstain, 1 recused

NOTE: E&B has also asked for clarification as to whether or not the currently installed electricity-generating micro-turbines (gas burning) were approved by the Zoning Administrator. These facilities were installed prior to E&B's ownership. The above UNNC motion would basically request that gas-burning not be allowed; there was discussion about alternatives, such as solar, to generate onsite electricity. E&B's representative stated in answer to a question that "a micro turbine is an onsite power generation piece of equipment that allows us to decrease the demand on the grid instead of taking power from LADWP, we can do it on our own."

In summary, UNNC requests that the Zoning Administrator further modify the original 1961 Conditional Use Permit to add these conditions:

- Annual on-site physical inspections by the City
- Perimeter Air Monitoring (at the fence line)
- More information be provided regarding emergency planning
- Prohibit the burning of methane gas on the site to generate electricity
- Require electric work-over rigs rather than diesel
- Enclose the site

Thank you for your consideration,

Laura Meyers

UNNC President

president@unnc.org; laura.mevers@unnc.org



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April 27, 2022

Charles Rausch, Associate Zoning Administrator Connie Chauv, City Planner

RE: Case No. ZA-15227(O)(PA4) + (PA6), 2126 West Adams Blvd. (Murphy Drill Site) Plan Approval (Review of Conditions and Compliance)

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UNNC's Planning & Zoning (P&Z) Committee met with the current operator, E&B Natural Resources, three times for consultations and eventual "action" – which was a P&Z Committee recommendation to the UNNC Governing Board to adopt two separate motions, each with three components (described more fully below), that are together designed to help further mitigate oil drilling operations within a residential community.

It is important to note that UNNC, in response to the community directly adjacent to the Murphy Site, has been requesting some of these conditions of prior operators since at least 2013, namely perimeter air quality monitoring and regular onsite inspections by the Planning Department. We welcomed E&B's proactive positive reaction to our requests.

The UNNC P&Z Committee also considered and discussed, at some length, the complaints that have triggered the PA6 case. Our discussions regarding the allegations of non-compliance were quite robust at the three Brown Act-compliant public meetings we conducted last October, 2021, and in February and March of this year.

Ultimately, the Committee decided that the evaluation of these assertions, and E&B's responses, are the purview of the Zoning Administrator; and are outside of the scope, resources, and expertise of both the P&Z Committee and the UNNC Governing Board to make a determination or recommendation, other than to point out that, of course, UNNC wants all operators of this Drill Site to be compliant with all regulations (state, local, federal) and compliant with all conditions imposed by the CUP.

On April 7, 2022, the UNNC Governing Board met, at our regularly-scheduled monthly Brown Act-compliant public meeting, and considered this case. The published agenda item was:

Case No. ZA-15227(O)(PA4) + (PA6) dated September 14, 2007 -- Plan Approval (Review of Conditions and Compliance), 2126 West Adams Blvd.: "Review of Conditions and Compliance" at the Murphy Oil Drilling Site located at 2126 West Adams Blvd. (at Gramercy Place). Operator will respond to questions posed by the Planning Dept. Zoning Administrator. UNNC to weigh in on whether the currently-imposed conditions in the long-standing Conditional Use Permit are sufficient to ensure that the drill site does not have negative impacts on the surrounding neighborhood; if not, what additional conditions might be imposed; and whether or not current operator E&B Natural Resources has been compliant with existing conditions. A Planning Department public hearing is scheduled for Thursday, April 28, 10 a.m. (Please note for purposes of the Brown Act and discussion at this meeting: This specific case has a limited scope for Neighborhood Council response, and is not regarding broad policy about urban oil drilling in Los Angeles.) -- DISCUSSION AND ACTION



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- Enclose the site

Thank you for your consideration,

Laura Meyers

UNNC President

president a unnc.org; laura.mevers a unnc.org



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Edber Macedo <edber.macedo@lacity.org>

John Tracy Center // ZA-15227-O-PA6

2 messages

Edber Macedo <edber.macedo@lacity.org> To: "pslye@pcms-llc.com" <pslye@pcms-llc.com> Wed, Jun 15, 2022 at 3:02 PM

Wed, Jun 15, 2022 at 4:28 PM

Good afternoon Paul,

I work for the Office of Zoning Administration at L.A. City Planning. My office is currently conducting a Compliance Review for an oil extraction site located at 2126 West Adams Boulevard.

I recently learned that we may have missed some correspondence from your office regarding the pending Compliance Review. Would you be able to resend your letter/email content to me so I may include it into the formal record. I apologize for the inconvenience. Thank you.

Cordially, Edber



Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763

T: (213) 978-1198 Planning4LA.org





Los Angeles, CA 90012







Paul Siye <pslye@pcms-llc.com>

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

Cc: Cat Mathes <cmathes@jtc.org>, "M. Cecilia Vanín (cvanin@jtc.org)" <cvanin@jtc.org>

Hi Edber - no problem at all and thank your reaching out!

Below is the original message sent from me in my capacity as Vice Chair and Cat Mathes, our CEO:

From: Paul Siye <psiye@pcms-lic.com> Sent: Wednesday, April 27, 2022 10:30 PM

To: edber.macedo@lacity.org; connie.chauv@lacity.org

Cc: Cat Mathes <cmathes@jtc.org>; M. Cecilia Vanín (cvanin@jtc.org) <cvanin@jtc.org>

Subject: EB Natural Resources - John Tracy Center

Dear Edber & Connie:

As you might know, The John Tracy Center has been an active West Adams neighbor and regional force for good in service to families and children navigating deafness, hearing loss and speech for 78 years.

It is with great appreciation that we take this opportunity to share the attached letter of support for our neighbors at EB Natural Resources.

Thank you both for your kind attention.

Respectfully,

Cathleen Mathes, M.S.ED, LSLS Cert AVT

President & CEO



T: (213) 748-5481 x 293

D: (213) 863-9948 **F:** (213) 749-1651 E: cmathes@jtc.org

W: www.jtc.org

Paul E. Slye

CEO & Founder (Vice Chair, John Tracy Center)



Office: (310) 693-4357

Mobile: (310) 717-0604

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Paul E. Slye

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[Quoted text hidden]





To: Mr. Charles Rausch, Associate Zoning Administrator, Department of City Planning Department

200 North Spring Street, Room 720

Los Angeles, CA 90012

From: Mr. Paul Slye, Vice Chair, John Tracy Center

2160 W. Adams Blvd. Los Angeles, CA 90018

(SENT VIA EMAIL TO CONNIE CHAUV and EDBER MACEDO, LA City Planning Dept.)

Ref: 1959-15227-O-PA6

Dear Mr. Rausch,

We are writing to submit a public comment to the record about Case No. ZA-1959-15227-O-PA6 which has a public hearing on April 28, 2022. I, Paul Slye, serve as the Vice Chair of John Tracy Center's Board of Directors and Cathleen Mathes is John Tracy Center's President & CEO. The mission of John Tracy Center is to provide parent-centered services locally and globally to children with hearing loss, offering families hope, guidance, and encouragement. Our building is located at 2160 W. Adams Blvd., which is two doors down from the Murphy site operated by E&B Natural Resources. We've been at this location since 2019 and provide local and global services to over 3,000 families per year. For over 78 years, JTC has made it possible for hundreds of thousands of children who are deaf and hard of hearing learn to listen, speak, and thrive, and has equipped parents with the knowledge, support, and training necessary to help their children achieve their full potential.

We are happy to have a company like E&B Natural Resources as a neighbor. From our perspective, we have not experienced any issues or concerns, nor do we have any complaints to register. Our experience is overall positive.

If you have any questions or would like to reach out to us, please do not hesitate to contact us at (213) 748-5481.

Sincerely,

Paul Slye Vice Chair

VICE CHAIL

John Tracy Center

Cathleen Mathes President and CEO John Tracy Center



Connie Chauv <connie.chauv@lacity.org>

Murphy Drill Site: ZA-1959-15227-O-PA6 | Video Evidence of Violations

Richard Parks < richard@redeemercp.org>

Tue, May 31, 2022 at 4:18 PM

To: Connie Chauv <connie.chauv@lacity.org>

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Edber Macedo <edber.macedo@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>, Angela Johnson Meszaros<ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Kartik Raj <kraj@earthjustice.org>, Lupe Ruelas <lruelas@earthjustice.org>

Dear Ms. Chauv,

I hope you are well. Please find attached a letter with hyperlinks to video and/or audio evidence for Murphy Drill Site Plan Approval process. The videos capture unpermitted acid maintenance, noise, fumes, two testimonies from nearby residents, and a presentation on E&B leaving the drill site unattended. The hyperlinked videos are hosted on YouTube. A copy of the attached letter was delivered to the Office of Zoning Administration today on a USB thumb drive.

Please let me know if you have any questions. Thank you for your assistance.

Kind regards, Richard Parks

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949

www.redeemercp.org







May 31, 2022

Mr. Charles Rausch, Zoning Administrator Los Angeles Department of City Planning 200 N Spring St., Room 763 Los Angeles, CA 90012

Dear Mr. Rausch,

Murphy Drill Site | ZA-1959-15227-O-PA6

The attached file provides hyperlinks to video and/or audio evidence of violations at the Murphy Drill Site. The videos capture unpermitted acid maintenance, noise, fumes, two testimonies from nearby residents, and a presentation on E&B leaving the drill site unattended. The hyperlinked videos are hosted on YouTube.

We hope this information will be helpful to your deliberations.

Kind regards,

Richard Parks

President

Cc: Estineh Mailian, Chief Zoning Administrator, <u>estineh.mailian@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>

Murphy Drill Site | CASE NO. ZA-15227(O)(PA6) VIDEO, AUDIO, AND PHOTOGRAPHIC EVIDENCE OF VIOLATIONS

Unpermitted Acid Maintenance

- 2022-02-26: Saturday Morning Unpermitted Acid Maintenance
- 2021-05-28: Fenceline Unpermitted Acid Maintenance Wrap-up
- 2021-05-27: Fenceline Unpermitted Acid Maintenance Preparation
- 2020-10-06: Unpermitted Acid Maintenance Large Acid Tanker Arrives

Noise

- 2021-04-21: Fenceline Workover Rig Clanging 94+ Decibels
- 2021-04-15: Fenceline Workover Rig Noise
- 2020-09-23: Fenceline Baseline Noise (i.e. no heavy equipment present)

Odors, Leaks, Fumes, and Noise

- 2022-01-12: Violation of 5-Minute Diesel Idling Rule¹ (23 minutes) | Video 1, Video 2
- 2021-01-12: Oily Well Fluids
- 2021-01-05: <u>Degassing Five Fractanks within 1000' of K12 Schools</u> (NOV)
- 2021-02-24: FWKO Tank Degassing and Acid Delivery | Video 1, Video 2
- 2019-09-16: Infrared Video Capturing Fugitive Emissions

Operating Hour Violations

This is a representative sample of a much larger set of recorded violations.

- 2022-04-10 5:28am: Trash pickup (Longstanding and ongoing, weekly violation)
- 2021-02-04 6:32am: Diesel Box Truck | Video 1, Video 2
- 2021-03-26 7:32pm: Noisy Night Operations
- 2020-06-10 2:03am: Tanker Operating On Site
- 2019-12-02 6:51am: Large Tanker Truck Arrives (photo only)
- 2019-11-25 5:59am: MTS Large Tanker Truck Arrives (photo only)

Neighbor Testimonies

- 2022-05-22 Rev. Helena Titus
- 2021-11-03 Don Smith via KCRW: LA's oil wells can harm human health... (audio)

Spill Prevention Control and Countermeasure (SPCC) Plan Violations of 24/7 Personnel Coverage Requirement and Commitment

 2022-05-23 - SPCC Plan 24-7 Violations (Presentation on E&B leaving the drill site unattended and LAFD CUPA actions to weaken 24/7 personnel coverage)

¹ This Airborne Toxic Control Measure is set forth in title <u>13, CCR, section 2485</u>, and requires, among other things, that drivers of diesel-fueled commercial motor vehicles with gross vehicle weight ratings greater than 10,000 pounds, including buses and sleeper berth equipped trucks, not idle the vehicle's primary diesel engine longer than five minutes at any location.



Connie Chauv <connie.chauv@lacity.org>

Murphy Drill Site (ZA-1959-15227-O-PA6) | New SPCC Plan Violation

Richard Parks < richard@redeemercp.org>

Mon, May 30, 2022 at 9:31 PM

To: Connie Chauv <connie.chauv@lacity.org>

Cc: estineh.mailian@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Edber Macedo <edber.macedo@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>

Dear Ms. Chauv,

I hope you enjoyed the long weekend. Please find attached a new letter for the Murphy Drill Site Case File ZA-1959-15227-O-PA6. This letter outlines a new violation of E&B Natural Resources' Spill Prevention Control and Countermeasure Plan this past Saturday, May 28. Thank you in advance for your assistance.

Kind regards, Richard Parks

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2022-05-31 - OZA Letter 5 - 24-7 Personnel Coverage.pdf 868K



May 30, 2022

Mr. Charles Rausch, Zoning Administrator Los Angeles Department of City Planning 200 N Spring St., Room 763 Los Angeles, CA 90012

Dear Mr. Rausch,

Murphy Drill Site | ZA-1959-15227-O-PA6

The purpose of this letter is to update you on the most recent example of E&B Natural Resources (E&B) leaving the Murphy Drill Site unattended and to propose a solution.

E&B asserted in the Spill Prevention Control and Countermeasure (SPCC) Plan that it submitted for the PA6 process that it keeps the Murphy Drill Site staffed 24/7. Redeemer Community Partnership has described in previous correspondence how E&B has repeatedly violated this requirement in its SPCC Plan. We also noted that these violations did not stop even after sharing this information with E&B's senior vice president, Louis Zylstra, at a public community meeting. LAFD CUPA eventually issued one Notice of Violation for leaving the drill site unattended. This was the only incident that E&B acknowledged and so it was the only one E&B was cited for.

This past Saturday, May 28, 2022, E&B again left the drill site unattended. Here is the sequence of events:

- 5:26am: Before sunrise E&B's day shift operator exited the drill site in a pickup truck through the West gate (see Photo 1).
- 5:30am: Four minutes later he returned to the drill site entering on foot through the East gate without his truck.
- 11:57am: He exited the drill site on foot through the East gate (see Photo 2).
- 12:15pm: He returned to the drill site in his pickup truck entering through the West gate (see Photo 3). The drill site was left unattended for a total of 22 minutes.

It appears the operator planned his mid-day departure in advance possibly to evade detection. We find the persistence of these departures nine-months after residents first reported them to E&B's senior management dismaying.

Prior to addressing a possible solution, it is important to understand the role LAFD CUPA has played in advancing this outcome. First, LAFD refused to hold E&B accountable for serial

violations of its SPCC Plan. It issued just one Notice of Violation for an incident that E&B confessed to while dismissing more than 50 incidents carefully documented by residents with video and photo evidence.

Secondly, LAFD CUPA inspector Mr. Alvin Dong informed us that he advised E&B to revise its SPCC Plan to remove its 24/7 personnel coverage commitment to avoid future enforcement action when its operators left the drill site unattended. We do not know whether E&B has yet taken LAFD CUPA's advice since LAFD has not yet responded to our public records request.

We do not believe that leaving the drill site with thousands of gallons of stored oil, natural gas liquids, and toxic chemicals, with operating equipment dispensing toxic chemicals to process explosive methane gas and highly flammable oil while compressors process these fuels into pipelines, and generators burn methane gas is in the best interest of nearby residents, school children, seniors, convalescent patients, or LAFD first responders. Previous operators of the Murphy Drill Site also saw the wisdom of maintaining 24/7 personnel coverage.

Given that E&B cannot be trusted to keep the site staffed 24/7 and given that LAFD CUPA has advised E&B to weaken its SPCC Plan by removing the 24/7 personnel coverage requirement, we ask that you require E&B to maintain a minimum of two operators on site during each 12-hour shift. This would allow one operator at a time to leave the drill site for meal breaks while providing mutual accountability for remaining on site and ensuring staff presence in the event of an emergency.

This condition could be further strengthened by requiring E&B to retain video recordings from its surveillance system for 90-days. When we asked LAFD CUPA to investigate E&B's operators slipping away at night, LAFD reported that the oil company erases surveillance video at the end of each month preventing LAFD CUPA from verifying compliance.

We remain grateful for your careful consideration of this case.

hard Jaka

Kind regards,

Richard Parks

President

Cc: Estineh Mailian, Chief Zoning Administrator, <u>estineh.mailian@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>

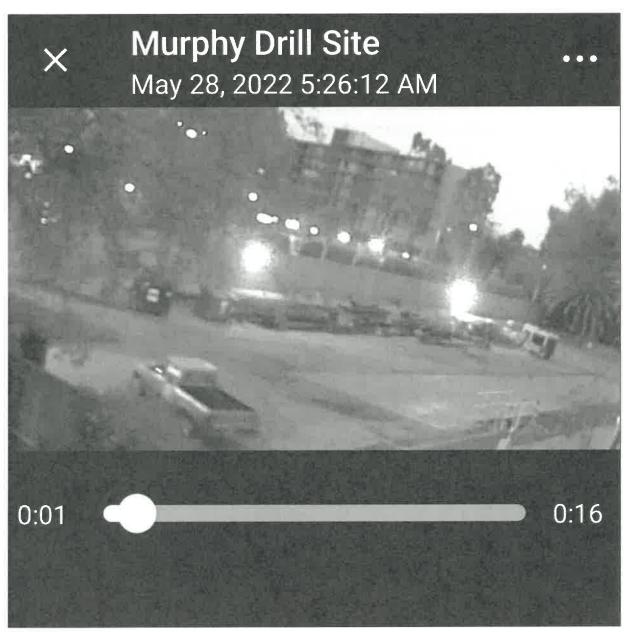


Photo 1: Before sunrise the E&B day shift operator left the Murphy Drill Site at 5:26am through the West gate with an empty truck bed.

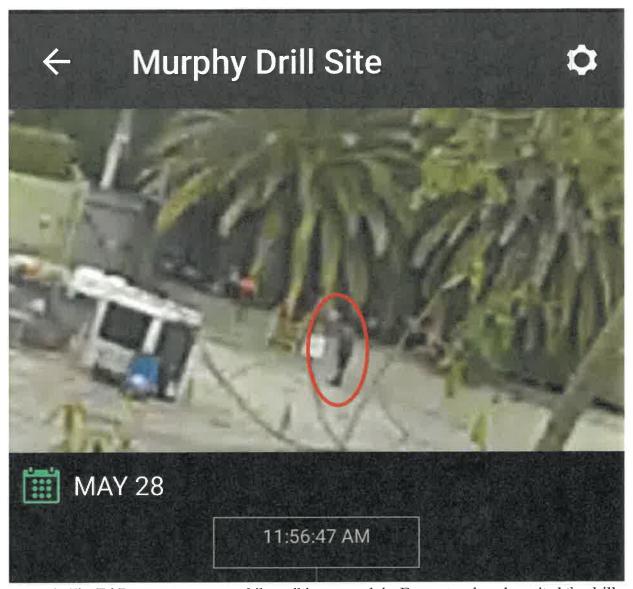


Photo 2: The E&B operator pauses while walking toward the East gate where he exited the drill site at 11:57am.

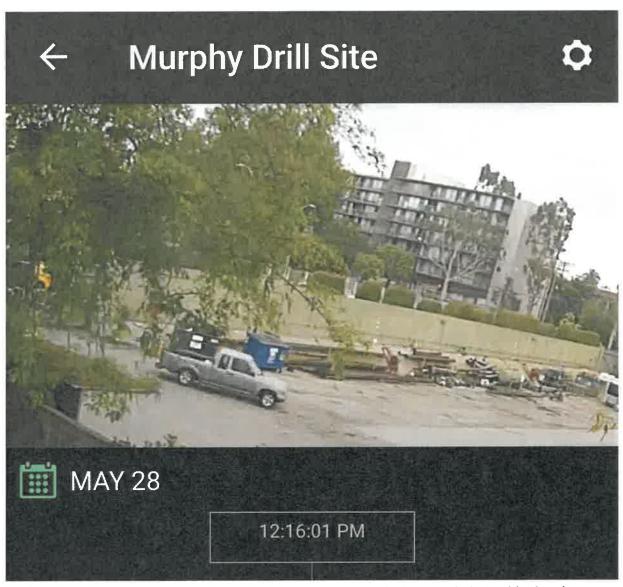


Photo 3: The E&B operator returned after leaving the drill site unattended. A white bag is now visible in the truck bed. The operator removed this bag before entering the office.





Connie Chauv < connie.chauv@lacity.org>

Murphy Drill Site (ZA-1959-15227-O-PA6) | New SPCC Plan Violation

Richard Parks < richard@redeemercp.org>

Mon, May 30, 2022 at 9:31 PM

To: Connie Chauv <connie.chauv@lacity.org>

Cc: estineh.mailian@lacity.org, Jennifer Tobkin < jennifer.tobkin@lacity.org>, Edber Macedo < edber.macedo@lacity.org>, Brittney Lu <bri>drittney@redeemercp.org>

Dear Ms. Chauv,

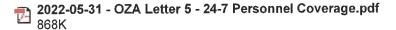
I hope you enjoyed the long weekend. Please find attached a new letter for the Murphy Drill Site Case File ZA-1959-15227-O-PA6. This letter outlines a new violation of E&B Natural Resources' Spill Prevention Control and Countermeasure Plan this past Saturday, May 28. Thank you in advance for your assistance.

Kind regards, Richard Parks

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org







May 30, 2022

Mr. Charles Rausch, Zoning Administrator Los Angeles Department of City Planning 200 N Spring St., Room 763 Los Angeles, CA 90012

Dear Mr. Rausch,

Murphy Drill Site | ZA-1959-15227-O-PA6

The purpose of this letter is to update you on the most recent example of E&B Natural Resources (E&B) leaving the Murphy Drill Site unattended and to propose a solution.

E&B asserted in the Spill Prevention Control and Countermeasure (SPCC) Plan that it submitted for the PA6 process that it keeps the Murphy Drill Site staffed 24/7. Redeemer Community Partnership has described in previous correspondence how E&B has repeatedly violated this requirement in its SPCC Plan. We also noted that these violations did not stop even after sharing this information with E&B's senior vice president, Louis Zylstra, at a public community meeting. LAFD CUPA eventually issued one Notice of Violation for leaving the drill site unattended. This was the only incident that E&B acknowledged and so it was the only one E&B was cited for.

This past Saturday, May 28, 2022, E&B again left the drill site unattended. Here is the sequence of events:

- 5:26am: Before sunrise E&B's day shift operator exited the drill site in a pickup truck through the West gate (see Photo 1).
- 5:30am: Four minutes later he returned to the drill site entering on foot through the East gate without his truck.
- 11:57am: He exited the drill site on foot through the East gate (see Photo 2).
- 12:15pm: He returned to the drill site in his pickup truck entering through the West gate (see Photo 3). The drill site was left unattended for a total of 22 minutes.

It appears the operator planned his mid-day departure in advance possibly to evade detection. We find the persistence of these departures nine-months after residents first reported them to E&B's senior management dismaying.

Prior to addressing a possible solution, it is important to understand the role LAFD CUPA has played in advancing this outcome. First, LAFD refused to hold E&B accountable for serial

violations of its SPCC Plan. It issued just one Notice of Violation for an incident that E&B confessed to while dismissing more than 50 incidents carefully documented by residents with video and photo evidence.

Secondly, <u>LAFD CUPA</u> inspector Mr. Alvin Dong informed us that he advised E&B to revise its <u>SPCC Plan to remove its 24/7 personnel coverage commitment to avoid future enforcement action when its operators left the drill site unattended. We do not know whether E&B has yet taken LAFD CUPA's advice since LAFD has not yet responded to our public records request.</u>

We do not believe that leaving the drill site with thousands of gallons of stored oil, natural gas liquids, and toxic chemicals, with operating equipment dispensing toxic chemicals to process explosive methane gas and highly flammable oil while compressors process these fuels into pipelines, and generators burn methane gas is in the best interest of nearby residents, school children, seniors, convalescent patients, or LAFD first responders. Previous operators of the Murphy Drill Site also saw the wisdom of maintaining 24/7 personnel coverage.

Given that E&B cannot be trusted to keep the site staffed 24/7 and given that LAFD CUPA has advised E&B to weaken its SPCC Plan by removing the 24/7 personnel coverage requirement, we ask that you require E&B to maintain a minimum of two operators on site during each 12-hour shift. This would allow one operator at a time to leave the drill site for meal breaks while providing mutual accountability for remaining on site and ensuring staff presence in the event of an emergency.

This condition could be further strengthened by requiring E&B to retain video recordings from its surveillance system for 90-days. When we asked LAFD CUPA to investigate E&B's operators slipping away at night, LAFD reported that the oil company erases surveillance video at the end of each month preventing LAFD CUPA from verifying compliance.

We remain grateful for your careful consideration of this case.

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Kind regards,

Richard Parks

President

Cc: Estineh Mailian, Chief Zoning Administrator, <u>estineh.mailian@lacity.org</u>
Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>
Edber Macedo, City Planning Associate, <u>edber.macedo@lacity.org</u>



Photo 1: Before sunrise the E&B day shift operator left the Murphy Drill Site at 5:26am through the West gate with an empty truck bed.

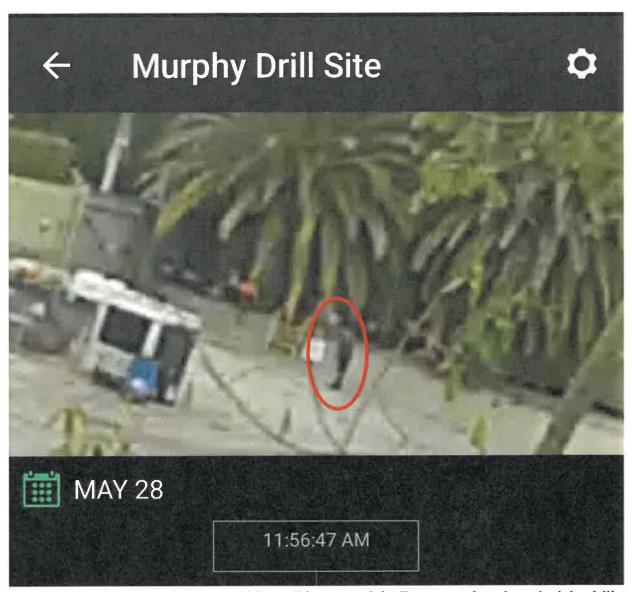


Photo 2: The E&B operator pauses while walking toward the East gate where he exited the drill site at 11:57am.

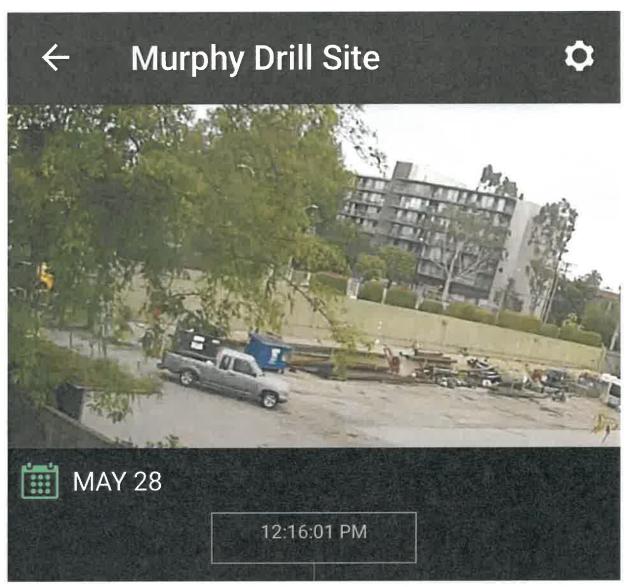


Photo 3: The E&B operator returned after leaving the drill site unattended. A white bag is now visible in the truck bed. The operator removed this bag before entering the office.

Re: Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

May 31, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. I have lived near the drill site for nearly five years.

This site is concerning to me and my community because oil and gas operations are harmful to our health and environment. I have walked past the site dozens of times and have smelled, seen, and felt only a fraction of the toxic pollutants being emitted from the site. I can only imagine the harm exacted on the scores of residents living directly adjacent to the site, not to mention the elevated risks to the health of those in the senior and medical facilities nearby. As an environmental justice and health advocate whose work focuses on the health and safety risks of living near harmful land uses, I can in no way even justify the existence of such operations in dangerously close proximity to sensitive populations, nor its existence at all given the dire nature of the current climate crisis.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Name: Jazmine Johnson

Address: 2404 2nd Ave, Apt 2, Los Angeles, CA 90018

Phone/Email: jjaynia@gmail.com



Connie Chauv <connie.chauv@lacity.org>

Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Jazmine Johnson <jjaynia@gmail.com>
To: connie.chauv@lacity.org, edber.macedo@lacity.org

Tue, May 31, 2022 at 5:18 PM

Hello Connie and Edber,

Please see my attached comments regarding Case No. ZA-15227(O)(PA6).

Warm regards,

Jazmine

Jazmine Johnson

University of Chicago AB'14 | Biological Sciences https://www.linkedin.com/in/jazmine-j-johnson/





Connie Chauv <connie.chauv@lacity.org>

Murphy Drill Site -CASE NO. ZA-15227(O)(PA6)

Kevin Blue <kevin.blue@scene8.net>

Sun, May 29, 2022 at 2:02 PM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

May 29, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a dangerous drill site in our neighborhood and has been so for years. My family and I have lived in this neighborhood near the drill site for 18 years and prior to marriage, I lived nearby for an additional 16 years. I am a longtime resident and have been committed to the community's growth and well-being through some decades now.

The drill site operations are concerning to me and our family due to the pollution and dangerous gas emissions that have been present. While that is concerning to me, there are several facilities which care for the elderly that are yards from the drill site. These residents have greater health care needs and are less able to voice their concerns due to their physical and mental condition. My mother is a local resident at one such facility.

The operator of this site has repeatedly endangered the health and well-being of our family and our neighbors by breaking the rules that have been set up to safeguard residents. Oil drilling in residential neighborhoods is a bad idea in general due to the various toxic hazards it presents and potential risks in an accident. However, this particular operator has run this site with a blatant disregard for the local community and when confronted with explicit evidence regarding this, refuses to correct the problems or even admit errors. It is not a compatible land use for this area.

I would urge you to listen to the voices of our many neighbors who see and experience the same disregard for our well-being and at least extend the identical health and safety protections afforded to the areas of West LA many years ago. Those areas of West LA are wealthier and whiter than our area and the current inaction of various public entities on behalf of residents can only be construed as having racial and economic inequities. As a minimum, I request that you do three things:

- 1. Enclose the Murphy Drill Site
- 2. Require electric rigs be used in the work instead of diesel
- 3. Prohibit the burning of methane gas on the site

It is time for this dangerous operation to stop in our neighborhood and it is time for the City to treat its various residents, specifically those of South LA, with the care and respect that are overdue.

Thank you for your attention to this matter.

Sincerely,

Rev. Dr. Kevin Blue

3017 Dalton Ave.

LA, CA 90018

(323) 804-6997/kblue87@yahoo.com

Sent from Mail for Windows



Connie Chauv <connie.chauv@lacity.org>

Case No. ZA-1959-15227-O-PA6 Community Sign-On Letter

Brittney Lu <bri>brittney@redeemercp.org>

Fri, May 27, 2022 at 6:36 PM

To: Edber Macedo <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Cc: Jessica Santos <jessicgs@usc.edu>

Good evening Edber and Connie,

I hope you both are doing well. Please see attached for a community sign-on letter with regard to ZA-1959-15227-O-PA6 for 2126 W Adams Blvd Los Angeles, CA 90018.

Thank you both in advance for your time and consideration. I hope you have a nice weekend ahead.

Best,

Brittney Lu Redeemer Community Partnership Community Organizer brittney@redeemercp.org | (323) 795-8228 (she, her, hers)

2022-05-27_ZA-15227 PA6 Community Sign-On Letter.pdf 129K



May 27, 2022

Mr. Charles Rausch
Associate Zoning Administrator
Office of Zoning Administration
Department of City Planning
200 North Spring Street
Los Angeles, California 90012-2601

Re: Case No. ZA-1959-15227-O-PA6 for 2126 West Adams Boulevard Los Angeles, California 90018

Dear Mr. Rausch,

The Murphy Drill Site is a public nuisance. Air pollution, petroleum odors, and noise from the drill site violates residents' health, safety, and the peaceful enjoyment of their homes. While these concerns were shared at the public hearing held on April 28, 2022, many residents were unable to participate due to work and school commitments. Therefore, we submit this sign-on letter from neighbors who were unable to attend and offer comments, but wanted to share their concerns and support of modernization of the Murphy Site.

Sincerely,

Brittney Lu & Jessica Santos Redeemer Community Partnership Community Organizers



We, the undersigned, call on the City of Los Angeles, if not to shut down the Murphy Drill Site, then at the very least, to modernize the drill site's operating conditions to give our community the same protections given to wealthier, whiter, West Los Angeles neighborhoods decades ago:

- 1. Full enclosure of the Murphy Drill Site
- 2. Require only electric workover rigs, instead of diesel
- 3. Prohibit the burning of methane gas onsite

We thank you for your consideration.

Signed by,

Name	Address
Manuel Salazar	2096 W 27th Street
Pablo Mendez	2118 W 27th Street
Maria D. Gates	2154 W 27th Street
Darin Garcia	2272 W 27th Street
Kendric Flores	2278 W 27th Street
John G. Kurtz	2102 W 24th Street
Daire Wolf	2442 Gramercy Park
Romulo Soto	2225 W 25th Street
Linda Mercier	2231 W 25th Street
Jesse Buchanan	2238 W 25th Street
Cathleen Carmen	2087 W 28th Street
Edmon Flores	2087 W 28th Street
Adelita Carmen	2087 W 28th Street
Crystal Carmen	2087 W 28th Street
Emberly Modine	2097 W 28th Street
Andres Gonzalez	1478 Allison Avenue



Eleazar Davila	2826 Arlington Avenue
Raheem Habib	2278 W 29th Street
Asia Thompson	2278 W 29th Street
Jeremias Mendez	2118 W 27th Street
Max Phillips	2903 Halldale Avenue
Shelby Heiman	3131 S Hoover Street
Isaiah Turner	1152 W 36th Place
Carolyn Hua	2318 Portland Street
Sujoy Haldar	3005 Shrine Place
Maya Robles	1156 ½ W 27th Street
Rachel Billington	2108 Oak Street
Megan Ong	3030 Shrine Place
Mekhla Kapoor	2318 Portland Street
Ashley Ware	3115 Orchard Avenue
Katy Kellenberg	3118 Orchard Avenue
Mary Athena Diamantidis	2656 Ellendale Place
Mila Mathias	3201 S Hoover Street
Janine Cadet	-
Katherine Bayard	4929 Cornell Avenue
Gurmum Dhillon	310 S Kenmore Avenue
Ezi Ogbuli	325 W Adams Boulevard
Abigail Kim	2801 Ellendale Avenue
Citlalin Lopez	3856 S Normandie Avenue
Cheyenne Chrisp	6110 Canterbury Drive



Taylor Ryan	3771 McClintock Avenue
Hana Liu	3335 S Figueroa Street
Stephen Kim	2715 Portland Street
Riya Mehta	332 S Figueroa Street
Avishka Jayasethara	3335 S Figueroa Street
Isabella Giantiempo	1194 W 27th Street
Tia Allen	PO Box 93372, LA, 91093
Keli Rubin	1955 Bonsallo Avenue
Kambiz Akhavan	5614 Bartlett Drive
Shawn Escoffery	5214 Victoria Avenue
Tony Pennay	27322 Blueridge Drive
Elvis Castillo	318 N Mariposa Avenue #403
Marisa Flores	2826 Menlo Avenue
Matthew Steiner	8455 Oakwood Avenue
Dillon Cranston	2826 Menlo Avenue
Daniel Jackovics	1210 W 28th Street
Rex Leuth	80 S Patterson Avenue
Joel Jiminez	1179 W 38th Street
Ayotemi Adediwwe	426 S Serrano Avenue
Nisha Venkat	312 W 5th Street
Marino Santos	2826 Menlo Avenue





Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

2 messages

Eric Barlow <ebarlow@stem-prep.org>
To: edber.macedo@lacity.org, connie.chauv@lacity.org

Thu, Apr 28, 2022 at 8:45 AM

Dear Zoning Administrator,

The Murphy Drill Site is a persistent nuisance and a serious threat to the health and safety of our community and should be shut down. STEM Preparatory Schools operates three public charter schools in the West Adams, Jefferson Park, and Adams-Normandies neighborhoods of Los Angeles, including two schools serving 1,000 students that are within 1,500 feet of the Murphy Drill Site. These students are overwhelmingly low-income and Black or Latino and, as is the case with many environmental justice issues, are disproportionately impacted by the dangerous and harmful activities at the Murphy Drill Site.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Community members have documented numerous health and safety violations on the site, and studies have shown that our students and their families are suffering long term and irreversible health impacts just because they happen to live near an oil drilling site. Fundamentally, oil and neighborhoods do not mix. Oil drilling is simply not compatible with a thriving, vibrant, and healthy neighborhood. The choice to continue to allow neighborhood drilling is a choice to enrich a few at great expense to the health and safety of many.

Therefore, I urge you to put the health and safety of our students and their families ahead of the profits of oil companies and end or limit operations at the Murphy Drill Site. At the very least, you have a moral imperative to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue. Our students are being harmed by E&B's operations at the Murphy Drill Site today, and they cannot wait any longer.

Sincerely,

Eric Barlow Chief Operating Officer STEM Preparatory Schools 3200 W Adams Blvd. Los Angeles, CA 90018 (424) 250-0095

Connie Chauv <connie.chauv@lacity.org>
To: Eric Barlow <ebarlow@stem-prep.org>

Cc: edber.macedo@lacity.org

Hello Eric,

Thu, Apr 28, 2022 at 8:53 AM

City of Los Angeles Meil - Murphy Drill Site | CASF NO. ZA-15227(O)(PA6)

Thank you for your email. It will be included in the case file and transmitted to the Zoniny Administrator for their consideration.

If you'd like to be included on the Interested Parties list, please follow the below instructions from the agenda:

Fill out the following Interested Parties Form to be notified when a decision on an item on the agenda is rendered. Reference the relevant case number and staff contact person. https://tinyurl.com/interested-parties

Thank you

Connie Chauv Pronouns: She, Her, Hers City Planner Los Angeles City Planning 200 N. Spring St., Room 720/721

Los Angeles, CA 90012 T: (213) 978-0016 | Planning4LA.org











[Quoted text hidden]



May 30, 2022

Mr. Charles Rausch, Zoning Administrator Los Angeles Department of City Planning 200 N Spring St., Room 763 Los Angeles, CA 90012

Dear Mr. Rausch,

Murphy Drill Site | ZA-1959-15227-O-PA6

The purpose of this letter is to update you on the most recent example of E&B Natural Resources (E&B) leaving the Murphy Drill Site unattended and to propose a solution.

E&B asserted in the Spill Prevention Control and Countermeasure (SPCC) Plan that it submitted for the PA6 process that it keeps the Murphy Drill Site staffed 24/7. Redeemer Community Partnership has described in previous correspondence how E&B has repeatedly violated this requirement in its SPCC Plan. We also noted that these violations did not stop even after sharing this information with E&B's senior vice president, Louis Zylstra, at a public community meeting. LAFD CUPA eventually issued one Notice of Violation for leaving the drill site unattended. This was the only incident that E&B acknowledged and so it was the only one E&B was cited for.

This past Saturday, May 28, 2022, E&B again left the drill site unattended. Here is the sequence of events:

- 5:26am: Before sunrise E&B's day shift operator exited the drill site in a pickup truck through the West gate (see Photo 1).
- 5:30am: Four minutes later he returned to the drill site entering on foot through the East gate without his truck.
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It appears the operator planned his mid-day departure in advance possibly to evade detection. We find the persistence of these departures 9-months after residents first reported them to E&B's senior management dismaying.

Prior to addressing a possible solution, it is important to understand the role LAFD CUPA has played in advancing this outcome. First, LAFD refused to hold E&B accountable for serial violations of its SPCC Plan. It issued just one Notice of Violation for an incident that E&B confessed to while dismissing more than 50 incidents carefully documented by residents with video and photo evidence.

Secondly, LAFD CUPA inspector Mr. Alvin Dong informed us that he advised E&B to revise its SPCC Plan to remove its 24/7 personnel coverage commitment to avoid future enforcement action when its operators left the drill site unattended. We do not know whether E&B has yet taken LAFD CUPA's advice since LAFD has not responded to our public records request.

We do not believe that leaving the drill site with thousands of gallons of stored oil, natural gas liquids, and toxic chemicals, with operating equipment dispensing toxic chemicals to process explosive methane gas and highly flammable oil while compressors process these fuels into pipelines, and generators burn methane gas is in the best interest of nearby residents, school children, seniors, convalescent patients, or LAFD first responders. Previous operators of the Murphy Drill Site also saw the wisdom of maintaining 24/7 personnel coverage.

Given that E&B cannot be trusted to keep the site staffed 24/7 and given that LAFD CUPA has advised E&B to weaken its SPCC Plan to remove the 24/7 personnel coverage requirement, we ask that you require E&B to maintain a minimum of two operators on site during each 12-hour shift. This would allow one operator at a time to leave the drill site for meal breaks while providing mutual accountability for remaining on site and ensuring staff presence in the event of an emergency.

This condition could be further strengthened by requiring E&B to retain video recordings from its surveillance system for 90-days. When we asked LAFD CUPA to investigate E&B's operators slipping away at night, LAFD reported that the oil company erases surveillance video at the end of each month preventing LAFD CUPA from verifying compliance.

We remain grateful for your careful consideration of this case.

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Kind regards,

Richard Parks

President

Cc: Estineh Mailian, Chief Zoning Administrator, <u>estineh.mailian@lacity.org</u> Jennifer Tobkin, Deputy City Attorney, <u>jennifer.tobkin@lacity.org</u>

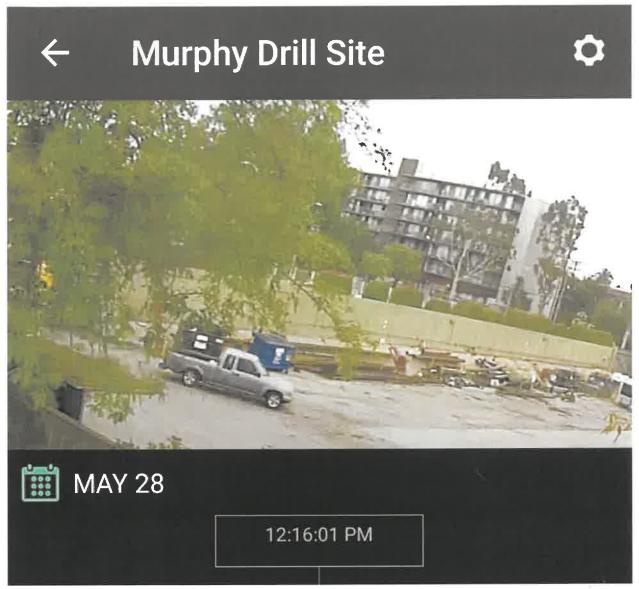


Photo 3: The E&B operator returned after leaving the drill site unattended. A white bag is now visible in the truck bed. The operator removed this bag before entering the office.

Edber Macedo, City Planning Associate, edber.macedo@lacity.org



Photo 1: Before sunrise the E&B day shift operator left the Murphy Drill Site at 5:26am through the West gate with an empty truck bed.

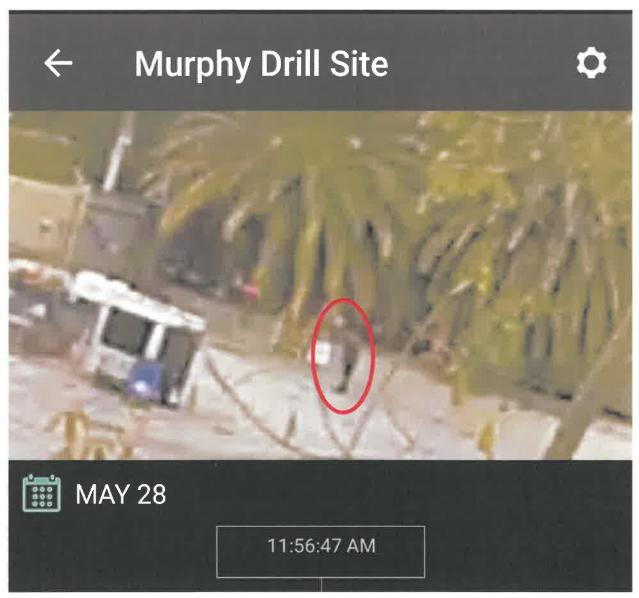


Photo 2: The E&B operator pauses while walking toward the East gate where he exited the drill site at 11:57am.



Edber Macedo <edber.macedo@lacity.org>

Murphy Drill Site -CASE NO. ZA-15227(O)(PA6)

1 message

Kevin Blue <kevin.blue@scene8.net>

Sun, May 29, 2022 at 2:02 PM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

May 29, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a dangerous drill site in our neighborhood and has been so for years. My family and I have lived in this neighborhood near the drill site for 18 years and prior to marriage. I lived nearby for an additional 16 years. I am a longtime resident and have been committed to the community's growth and well-being through some decades now.

The drill site operations are concerning to me and our family due to the pollution and dangerous gas emissions that have been present. While that is concerning to me, there are several facilities which care for the elderly that are yards from the drill site. These residents have greater health care needs and are less able to voice their concerns due to their physical and mental condition. My mother is a local resident at one such facility.

The operator of this site has repeatedly endangered the health and well-being of our family and our neighbors by breaking the rules that have been set up to safeguard residents. Oil drilling in residential neighborhoods is a bad idea in general due to the various toxic hazards it presents and potential risks in an accident. However, this particular operator has run this site with a blatant disregard for the local community and when confronted with explicit evidence regarding this, refuses to correct the problems or even admit errors. It is not a compatible land use for this area.

I would urge you to listen to the voices of our many neighbors who see and experience the same disregard for our well-being and at least extend the identical health and safety protections afforded to the areas of West LA many years ago. Those areas of West LA are wealthier and whiter than our area and the current inaction of various public entities on behalf of residents can only be construed as having racial and economic inequities. As a minimum, I request that you do three things:

- 1. Enclose the Murphy Drill Site
- 2. Require electric rigs be used in the work instead of diesel
- 3. Prohibit the burning of methane gas on the site

Pration to stop in our neighborhoo and it is time for the City to It is time for this dangerous treat its various residents, specifically those of South LA, with the care and respect that are overdue.

Thank you for your attention to this matter.

Sincerely,

Rev. Dr. Kevin Blue

3017 Dalton Ave.

LA, CA 90018

(323) 804-6997/kblue87@yahoo.com

Sent from Mail for Windows



Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Michael Jones <michael.jones.sc@gmail.com> To: edber.macedo@lacity.org, connie.chauv@lacity.org Fri, May 27, 2022 at 10:32 AM

Dear Zoning Administrator,

I hope you are well and healthy.

My name is Michael Jones and I have lived 500 feet from my Murphy Drill Site for six years. I live in the Sugar Hill Apartments which not only house me, but my neighbors, some of whom have lived in these very apartments for over 30 years.

When I moved into these apartments 6 years ago, I remember my neighbor telling me to be prepared to mop and sweep my apartment daily. I have also heard my neighbors complaining about how their cars are constantly dirty. It only took some time to put it together. The particulate matter from the nearby drill site was covering our cars and entering into our homes. The dust being a clear visual of the invisible harms that I am breathing into my body daily. What damage have I done to my health by living in these apartments for six years? What damage has been done to my neighbors' health by living in these apartments for the majority of their lives? What damage is being done to the health of the three little ones that live below me?

Neighbors who live in the more affluent parts of our neighborhood worry about the aesthetics of enclosing the drill site. The fact of the matter is that the drill site right now is not aesthetically pleasing and it is making all of us, rich and poor living nearby, suffer. If we can enclose the drill site, at least one of the issues will be resolved-protecting the health and well-being of those who live nearby.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Name: Michael R. Jones

Address: 2235 W. 26th Pl. #10, Los Angeles, CA 90018

Phone/Email: (408) 497-1494/michael.jones.sc@gmail.com

Connie Chauv < connie.chauv@lacil

Tue, May 31, 2022 at 7:41 AM

To: Michael Jones <michael.jones.sc@gmail.com>

Cc: edber.macedo@lacity.org

Hello Michael,

Thank you for your email. It will be included in the case file and transmitted to the Zoning Administrator for their consideration.

If you'd like to be included on the Interested Parties list, please follow the below instructions from the agenda:

Fill out the following Interested Parties Form to be notified when a decision on an item on the agenda is rendered. Reference the relevant case number and staff contact person. https://tinyurl.com/interested-parties

Thank you



Connie Chauv

Pronouns: She, Her, Hers

City Planner

Los Angeles City Planning

200 N. Spring St., Room 720/721

Los Angeles, CA 90012

T: (213) 978-0016 | Planning4LA.org













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Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

1 message

Michael Jones <michael.jones.sc@gmail.com> To: edber.macedo@lacity.org, connie.chauv@lacity.org Fri, May 27, 2022 at 10:32 AM

Dear Zoning Administrator,

I hope you are well and healthy.

My name is Michael Jones and I have lived 500 feet from my Murphy Drill Site for six years. I live in the Sugar Hill Apartments which not only house me, but my neighbors, some of whom have lived in these very apartments for over 30 years.

When I moved into these apartments 6 years ago, I remember my neighbor telling me to be prepared to mop and sweep my apartment daily. I have also heard my neighbors complaining about how their cars are constantly dirty. It only took some time to put it together. The particulate matter from the nearby drill site was covering our cars and entering into our homes. The dust being a clear visual of the invisible harms that I am breathing into my body daily. What damage have I done to my health by living in these apartments for six years? What damage has been done to my neighbors' health by living in these apartments for the majority of their lives? What damage is being done to the health of the three little ones that live below me?

Neighbors who live in the more affluent parts of our neighborhood worry about the aesthetics of enclosing the drill site. The fact of the matter is that the drill site right now is not aesthetically pleasing and it is making all of us, rich and poor living nearby, suffer. If we can enclose the drill site, at least one of the issues will be resolved-protecting the health and well-being of those who live nearby.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Name: Michael R. Jones

Address: 2235 W. 26th Pl. #10, Los Angeles, CA 90018

Phone/Email: (408) 497-1494/michael.jones.sc@gmail.com



Case No. ZA-1959-15227-O-PA6 Community Sign-On Letter

2 messages

Brittney Lu <bri>brittney@redeemercp.org>

Fri, May 27, 2022 at 6:36 PM

To: Edber Macedo <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Cc: Jessica Santos <jessicgs@usc.edu>

Good evening Edber and Connie,

I hope you both are doing well. Please see attached for a community sign-on letter with regard to ZA-1959-15227-O-PA6 for 2126 W Adams Blvd Los Angeles, CA 90018.

Thank you both in advance for your time and consideration. I hope you have a nice weekend ahead.

Best,

Brittnev Lu Redeemer Community Partnership Community Organizer brittney@redeemercp.org | (323) 795-8228 (she, her, hers)



2022-05-27_ZA-15227 PA6 Community Sign-On Letter.pdf

129K

Connie Chauv <connie.chauv@lacity.org>

Tue, May 31, 2022 at 7:42 AM

To: Brittney Lu <bri>drittney@redeemercp.org>

Cc: Edber Macedo <edber.macedo@lacity.org>, Jessica Santos <jessicgs@usc.edu>

Hello Brittney,

Thank you for your email and letter. It will be included in the case file and transmitted to the Zoning Administrator for their consideration.

If you'd like to be included on the Interested Parties list, please follow the below instructions from the agenda:

Fill out the following Interested Parties Form to be notified when a decision on an item on the agenda is rendered. Reference the relevant case number and staff contact person. https://tinyurl.com/interested-parties

Thank you



Connie Chauv

Pronouns: She, Her, Hers

City Planner

Los Angeles City Planning

200 N. Spring St., Room 720/721

Los Angeles, CA 90012

T: (213) 978-0016 | Planning4LA.org











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May 27, 2022

Mr. Charles Rausch
Associate Zoning Administrator
Office of Zoning Administration
Department of City Planning
200 North Spring Street
Los Angeles, California 90012-2601

Re: Case No. ZA-1959-15227-O-PA6 for 2126 West Adams Boulevard Los Angeles, California 90018

Dear Mr. Rausch,

The Murphy Drill Site is a public nuisance. Air pollution, petroleum odors, and noise from the drill site violates residents' health, safety, and the peaceful enjoyment of their homes. While these concerns were shared at the public hearing held on April 28, 2022, many residents were unable to participate due to work and school commitments. Therefore, we submit this sign-on letter from neighbors who were unable to attend and offer comments, but wanted to share their concerns and support of modernization of the Murphy Site.

Sincerely,

Brittney Lu & Jessica Santos Redeemer Community Partnership Community Organizers



We, the undersigned, call on the City of Los Angeles, if not to shut down the Murphy Drill Site, then at the very least, to modernize the drill site's operating conditions to give our community the same protections given to wealthier, whiter, West Los Angeles neighborhoods decades ago:

- 1. Full enclosure of the Murphy Drill Site
- 2. Require only electric workover rigs, instead of diesel
- 3. Prohibit the burning of methane gas onsite

We thank you for your consideration.

Signed by,

Name	Address
Manuel Salazar	2096 W 27th Street
Pablo Mendez	2118 W 27th Street
Maria D. Gates	2154 W 27th Street
Darin Garcia	2272 W 27th Street
Kendric Flores	2278 W 27th Street
John G. Kurtz	2102 W 24th Street
Daire Wolf	2442 Gramercy Park
Romulo Soto	2225 W 25th Street
Linda Mercier	2231 W 25th Street
Jesse Buchanan	2238 W 25th Street
Cathleen Carmen	2087 W 28th Street
Edmon Flores	2087 W 28th Street
Adelita Carmen	2087 W 28th Street
Crystal Carmen	2087 W 28th Street
Emberly Modine	2097 W 28th Street
Andres Gonzalez	1478 Allison Avenue



Eleazar Davila	2826 Arlington Avenue
Raheem Habib	2278 W 29th Street
Asia Thompson	2278 W 29th Street
Jeremias Mendez	2118 W 27th Street
Max Phillips	2903 Halldale Avenue
Shelby Heiman	3131 S Hoover Street
Isaiah Turner	1152 W 36th Place
Carolyn Hua	2318 Portland Street
Sujoy Haldar	3005 Shrine Place
Maya Robles	1156 ½ W 27th Street
Rachel Billington	2108 Oak Street
Megan Ong	3030 Shrine Place
Mekhla Kapoor	2318 Portland Street
Ashley Ware	3115 Orchard Avenue
Katy Kellenberg	3118 Orchard Avenue
Mary Athena Diamantidis	2656 Ellendale Place
Mila Mathias	3201 S Hoover Street
Janine Cadet	-
Katherine Bayard	4929 Cornell Avenue
Gurmum Dhillon	310 S Kenmore Avenue
Ezi Ogbuli	325 W Adams Boulevard
Abigail Kim	2801 Ellendale Avenue
Citlalin Lopez	3856 S Normandie Avenue
Cheyenne Chrisp	6110 Canterbury Drive



	19
Taylor Ryan	3771 McClintock Avenue
Hana Liu	3335 S Figueroa Street
Stephen Kim	2715 Portland Street
Riya Mehta	332 S Figueroa Street
Avishka Jayasethara	3335 S Figueroa Street
Isabella Giantiempo	1194 W 27th Street
Tia Allen	PO Box 93372, LA, 91093
Keli Rubin	1955 Bonsallo Avenue
Kambiz Akhavan	5614 Bartlett Drive
Shawn Escoffery	5214 Victoria Avenue
Tony Pennay	27322 Blueridge Drive
Elvis Castillo	318 N Mariposa Avenue #403
Marisa Flores	2826 Menlo Avenue
Matthew Steiner	8455 Oakwood Avenue
Dillon Cranston	2826 Menlo Avenue
Daniel Jackovics	1210 W 28th Street
Rex Leuth	80 S Patterson Avenue
Joel Jiminez	1179 W 38th Street
Ayotemi Adediwwe	426 S Serrano Avenue
Nisha Venkat	312 W 5th Street
Marino Santos	2826 Menio Avenue



HOLMAN UNITED METHODIST CHURCH

Church of the Bells

3320 West Adams Boulevard • Los Angeles • California • 90018 Phone: (323) 703-5868

Email: Holman@holmanumc.com • www.holmanumc.com Visit us on: Facebook – HolmanChurch • Twitter – @HolmanUMC

May 25, 2022

Mr. Charles Rausch, Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6)

Murphy Drill Site, 2126 W. Adams Blvd.

Dear Mr. Rausch,

For far too long the City of Los Angeles has been an ally of the forces of environmental and social degradation that have robbed South LA residents of life and stolen away our children's health and future.

In the late 1950's, Union Oil and the Catholic Archdiocese of Los Angeles collaborated to open an oil drill site in a Black community. The City approved the plan without remorse, sacrificing our community's health and safety on an altar of greed. This decision and those that followed, have rained down harm upon successive generations.

The Holy scriptures in Proverbs 20:10 tell us that "Differing weights and differing measures—the Lord detests them both". Nevertheless, the City disparately weighed the health and safety of Black lives. Wealthier, whiter, West LA drill sites were enclosed, mandated to use electric workover rigs, and powered by utility connections to minimize health impacts on surrounding residents. These protections, extended decades ago, were not given to South LA. The Murphy Drill Site is open, not enclosed. It uses diesel workover rigs, not electric. It burns millions of cubic feet of methane gas to power the facility instead of using electricity from the LADWP.

Meanwhile, medical research has firmly established oil extraction's health harms ranging from nosebleeds to chronic headaches, increased risks of asthma and other respiratory illnesses, preterm births and increased risk of cancer. The California Geologic Energy Management Division, which regulates oil extraction, moved in 2021 to create a 3,200-foot health and safety buffer around oil drill sites. The Murphy Drill Site is just 40-feet from the nearest home.

A recent peer-reviewed study of nearly 1,000 residents living within 1,000 meters of the Murphy and AllenCo drill sites in South LA showed a substantial reduction in lung health and function. These reductions are equivalent to daily exposure to secondhand cigarette smoke or living next to a busy freeway. Researchers noted that the harms appear to be permanent.

¹Johnston, Jill et al. https://pubmed.ncbi.nlm.nih.gov/33794173/

[&]quot;Inviting people into discipleship with Jesus Christ for the transformation of the world."

Harming the health of our children, limiting their potential, and making them more vulnerable to debilitating and deadly respiratory diseases such as COVID-19 and asthma is the City's legacy of prioritizing corporate wealth over public health.

For far too long the City of Los Angeles has turned a blind eye and deaf ear to violations at this industrial complex embedded in a residential neighborhood.

- The Los Angeles Fire Department refuses to enforce the Fire Code's mandate that idle wells--which create a pathway for toxic and explosive gasses to reach the surface--be reactivated or plugged.
- The Planning Department refuses to enforce rules requiring a Determination of Conditions before tanker trucks pump thousands of gallons of toxic acid into wells next to homes.
- The Department of Building and Safety approves electrical permits for gas-burning "microturbines" that are so big they require three new exhaust stacks that blacken the air we breathe and the side of the building where they are installed.
- The Zoning Administrator has failed to act on illegal well conversions and the installation of unauthorized gas generators.
- Recently, LAFD CUPA refused to immediately investigate the operator for regularly leaving the drill site unattended at night for up to five-and-a-half hours, this despite the operator's assertions to the City and other regulators that it maintained 24-hour personnel coverage.

The operator has exploited the City's malign neglect to further endanger the community. Looking at 2021 alone:

- On January 5, the operator degassed five 21,000 gallon tanks flooding the surrounding neighborhood with noxious fumes. The equipment permits prohibited use of the tanks within 1,000 feet of a school, but there are three schools 870 feet from the drill site; one elementary school with 600 students, a middle school with 447 students, and a high school for 300 students with severe disabilities. The South Coast Air Quality Management District issued two Notices of Violation; one for violating permits and the other for lying to the agency. The operator said the nearest resident lived a half-mile away, instead of 40 feet.
- On March 18 and 25, the operator hired a company to transport and deploy radioactive isotopes at the drill site for well testing. The California Highway Patrol determined that the truck had been unpermitted and illegal for roadway use for more than 12-years.
- May 27, two 5,000-gallon tanker trucks pumped high pressure acid and other toxic chemicals into the ground without a Determination of Conditions in violation of the municipal code.
- October 19, the Department of Industrial Relations Division of Occupational Safety and Health (formerly known as CalOSHA) issued citations for serious violations and fined the operator \$12,130 for endangering workers.
- November 19, a South Coast Air Quality Management District inspector issued a violation notice for a vapor leak greater than 100,000 ppm, twice the level at which methane gas becomes explosive.

Clearly, the operating conditions are not sufficient to protect the health and safety of families. However, the operator has boldly disregarded even these weakest of operating conditions.

Therefore, we call up the City to turn and move in a new direction. These toxic operations are fundamentally incompatible with a residential neighborhood that existed decades before the drill site. While the City opened the door to harming families in our community, the operator drove through in a battering ram. We call on the City to revoke the operator's conditional operating permit.

Yet, if you will not close the drill site, then the very least you could do is extend to our community the same protections extended to "quality" neighborhoods decades ago: enclose the facility, require electric workover rigs instead of diesel, and prohibit the burning of methane gas on site.

We walk with a God who heals the blind eye, cures the deaf ear, and promises beauty for ashes. Our prayers are with you as you consider the cry of our community for racial and environmental justice and as you contemplate a new and just course.

Yours in hope,

Rev. Louis A. Chase

Holman United Methodist Church

Rev. Alonzo Braggs First AME Zion Church

Pastor Carlos De La Roca Iglesia del Redentor / Church of the Redeemer

Rev. Bob Gay Faithful Central Bible Church

Rev. Eddie Anderson McCarty Memorial Christian Church

Rev. Gary Williams St. Mark United Methodist Church

Dr. John Cager Ward AME

Dr. John Cobb
The Cobb Institute, Claremont

Dr. John Forney Priest-In-Charge, St. Francis, San Bernardino

Rev. Emery Lindsay Christ Temple Cathedral

Rev. Joyce Kitchen Emmanuel-HM Turner AME Church Richard Parks

Redeemer Community Partnership

Rev. Oliver E. Buie Abundant Living Family Fellowships

Agnes Dickson, IHM Immaculate Heart Community of LA

Rev. James M. Lawson, Jr. Holman United Methodist Church

Dr. Norman Johnson First New Christian Missionary Baptist Church

Dr. Ken Walden Holman United Methodist Church

Dr. Ignacio Castuera The Cobb Institute, Claremont

Rev. Victor Cyrus-Franklin Grace United Methodist Church

Dr. Kelvin Calloway Bethel AME

Rev. Lawrence Dove Park Hills Community Church

Rev. John L. Jefferson Del Aire Baptist Church Email to: edber.macedo@lacity.org and connie.chauv@lacity.org

Subject: Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Date: May 19, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance. My husband and I lived directly across the street from the drill site (roughly 100 feet from the entrance on Van Buren Place) for three years, from 2015 to 2018. We have since moved, but continue to be a part of the Jefferson Park/West Adams Community that is directly impacted by the site's negligence.

This site is concerning to me because of the petroleum odors, diesel fumes, and 24/7 noise that rob residents of the peaceful enjoyment of our homes. When I lived across from the site, our street was constantly congested with massive, idling trucks that were either parked illegally or coming in and out of the facility. The smells caused headaches for residents in our building, and the overspray of chemicals (including petroleum) splattered the sides of close-by residential structures.

Over the years my husband and I participated in air quality studies, monitored violations at the site, and appealed to the City to do something about the neglectful, dangerous behavior of the site operators. All of our efforts, along with those of other concerned community members, have been well-documented by organizations like Redeemer Community Partnership. Whenever we could get someone to pay attention, it only resulted in fines that are, frankly, a pittance in comparison to the amount of money the site owners have been able to extract at the expense of the local community's health and safety.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century *before* the drill site arrived.

Therefore, I urge you, at the very least, to extend to our community the same health protections given by your office to wealthier, whiter, West L.A. neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South L.A. residents is long overdue.

Sincerely,

Name: Amanda Yang

Address: 2042 S. Oxford Avenue

Phone/Email: (951) 333-2832 / amandahearle@gmail.com





Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

2 messages

miguel lopez <miglopez@ucla.edu>
To: edber.macedo@lacity.org

Mon, Apr 25, 2022 at 11:13 PM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My wife and I have lived within half a mile from the drill site for about 5 years.

This site is concerning to us and our neighbors because we have repeatedly had to endure strong chemical and/or oil smells throughout the night or early morning hours. The smells often get trapped in our houses overnight and we cannot escape these ordors simply by opening our windows (since they are present throughout the neighborhood). My wife and I, and several neighbors, have logged several formal written complaints with the South Coast AQMD. Further, we have experienced light headedness and headaches from the odors as well as inability to sleep at night due to the strength of the odors. Aside from a nuisance, we are concerned about the long-term health impacts of these odors and associated chemicals.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Miguel A. Lopez, Ph.D.

323 854 9186 **2055 W. 29th Place Los Angeles, CA, 90018**

Edber Macedo <edber.macedo@lacity.org>
To: miguel lopez <miglopez@ucla.edu>

Tue, Apr 26, 2022 at 7:36 AM

Dear Dr. Lopez,

I have received your correspondence and I have personally added it to the case file for the Zoning Administrator's review.

Best, Edber

[Quoted text hidden]



Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012















Murphy Drill Site | Case No. ZA-15227(O)(PA6)

1 message

Carolyn Scott lioninsf@gmail.com>
To: edber.macedo@lacity.org

Wed, Apr 27, 2022 at 12:25 PM

Wednesday, April 27, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance, both day and night. I have lived within 1 mile of the site for three years, and within 2 miles for five years. I'm concerned about this site because it poses a public health risk to my neighborhood. As a physical science teacher, I'm very aware of the carcinogenic nature of the chemicals and byproducts used in oil drilling and refining, and there is little to no protection against these chemicals around the drill site. Additionally, many of these products, especially methane gas and carbon dioxide, are greenhouse gasses that harm the earth and contribute to climate change.

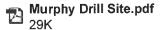
E&B has not followed rules that are meant to protect our community's health. They have shown their disregard for public safety on multiple occasions. Oil drilling is unsafe for residential neighborhoods, and as such this drill site is an unsuitable land use for this location.

At minimum, extend the same health protections to our community that your office has given to West LA neighborhoods for years:

- 1. Enclose the Murphy Drill site.
- 2. Require electric workover rigs instead of diesel.
- 3. Prohibit the burning of methane gas on the site.

Stop polluting our neighborhood. The time to act is now.

Sincerely, Carolyn Scott lioninsf@gmail.com







Murphy Drill Site Issue

1 message

David Kim <davidkim3@gmail.com> To: edber.macedo@lacity.org Wed, Apr 27, 2022 at 9:42 PM

Dear Zoning Administrator,

The Murphy Drill site is a public nuisance. I've lived one block away from the site for over two years now. This site is concerning to me and my family because I keep smelling foul odours from there and am worried about the toxic chemicals from there.

E & B Natural Resources has repeatedly shown the city and the community that it will break rules meant to protect the public's health and safety. Fundamentally this drill site does not belong in our neighborhood. This is a land use that is not compatible with residential neighborhoods that existed over a half-century before it arrived.

Therefore, I urge at the very least that you extend to our community the health protections given by your office to the wealthier West LA neighborhoods decades ago. Specifically I call on you to 1) enclose the Murphy drill site, 2) to require electric workover rigs instead of diesel, and 3) prohibit the burning of methane gas on site. The time for the city to end its discriminatory treatment of South LA residents is long overdue.

Sincerely,

David Kim 213-739-7231



Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

1 message

Marco Servetti <marco@visionlosangeles.com>
To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>

Mon, Apr 25, 2022 at 11:39 AM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My partner and I have lived on 29th Place, between Western and Saint Andrews, since March 2019, which is 0.5 miles away from the drill site.

There have been many documented violations at the site, from methane leaks that could lead to an explosion, to the spraying of toxic chemicals that have long term effects on our endocrine systems. This is detrimental to our health and it needs to stop.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

I've also attached a signed copy of this letter.

Sincerely,

Marco Servetti Men's Division Director

Vision Los Angeles

8631 Washington Blvd.

Culver City, CA 90232

Tel: 310.733.4440 Cell: 310.9273090 visionlosangeles.com

visionaries.visionlosangeles.com



vi·sion·ar·y – a person with original ideas about what the future will or could be like.

Discover our new visionaries division.

Not an influencer division, not seeking likes or approval.

Inspired. Inspiring. Visionary.



Subject: Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My partner and I have lived on 29th Place, between Western and Saint Andrews, since March 2019, which is 0.5 miles away from the drill site.

There have been many documented violations at the site, from methane leaks that could lead to an explosion, to the spraying of toxic chemicals that have long term effects on our endocrine systems. This is detrimental to our health and it needs to stop.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Marco Servetti

marco@visionlosan@eles.com

310.927.3090



Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

miguel lopez <miglopez@ucla.edu> To: edber.macedo@lacity.org

Mon, Apr 25, 2022 at 11:13 PM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My wife and I have lived within half a mile from the drill site for about 5 years.

This site is concerning to us and our neighbors because we have repeatedly had to endure strong chemical and/or oil smells throughout the night or early morning hours. The smells often get trapped in our houses overnight and we cannot escape these ordors simply by opening our windows (since they are present throughout the neighborhood). My wife and I, and several neighbors, have logged several formal written complaints with the South Coast AQMD. Further, we have experienced light headedness and headaches from the odors as well as inability to sleep at night due to the strength of the odors. Aside from a nuisance, we are concerned about the long-term health impacts of these odors and associated chemicals.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

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Sincerely,

Miguel A. Lopez, Ph.D.

323 854 9186 2055 W. 29th Place Los Angeles, CA, 90018



Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Liz S. Wang < lizsaura@gmail.com>
To: edber.macedo@lacity.org

Mon, Apr 25, 2022 at 10:58 AM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. I have lived half a mile from the drill site for over a year, and am disappointed to hear of this drill site's damaging impact next door to our homes, healthcare facilities and schools.

This site is concerning to me/my family/neighbors/community because of the drill site's air pollution, toxic chemicals, noise, fumes, and odors make it an incompatible and out-of-date land use with a residential neighborhood.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

I would hope that after all we have come to learn in educating ourselves in science, environment and engineering, about the dangers of air pollution, its environmental impact, and the long term effects of toxic chemicals, that our city would want to evolve intelligently and shed these industrial relics. An oil drill site does not align with the future of renewable resources and environmental consciousness of Los Angeles and California; moreover, the neglect of ensuring compliance at the drill site does not align with remediation of what we know exists in the disparate and discriminatory treatment of South LA communities. We should not allow this to persist where it does not sync up with the future we aspire to have.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue. Making a small change for the benefit environmental advancement and the betterment of a historically disadvantaged community would move the needle in the right direction.

Sincerely, Liz Wang





Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

3 messages

Elliot Ling <elliot.ling@gmail.com>
To: edber.macedo@lacity.org

Mon, Apr 18, 2022 at 11:34 AM

Date: April 18, 2022

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My family of 4, including daughters aged 8 and 5, have lived near the drill site since we moved to Los Angeles in 2004.

This site is concerning to my family, neighbors, and community. We are concerned about the chemicals released into the air, the potential long-term health impacts and, frankly, we are outraged that similar drill sites in West LA afford residents far greater protection.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Name: Elliot, Sarah, Josie (8) and Allie (5) Ling

Address: 3969 Dalton Ave, Los Angeles, CA 90062

Phone/Email: elliot.ling@gmail.com

Edber Macedo <edber.macedo@lacity.org>
To: Elliot Ling <elliot.ling@gmail.com>

Tue, Apr 19, 2022 at 9:32 AM

Dear Elliot,

I am in receipt of your correspondence. I will be printing this message and including it in the case file that will be reviewed by the Zoning Administrator regarding Case No. ZA-15227-O-PA6 for the upcoming Compliance Review hearing on 4/28.

Sincerely, Edber [Quoted text hidden]



Edber Macedo (he/him)
City Planning Associate
Los Angeles City Planning
200 N. Spring St., Room 763
Los Angeles, CA 90012
T: (213) 978-1198| Planning4LA.org









E-NEWS

Elliot Ling <elliot.ling@gmail.com>
To: Edber Macedo <edber.macedo@lacity.org>

Tue, Apr 19, 2022 at 10:18 AM

Hi Eåber,

I greatly appreciate your support. If you or the Zoning Administrator have any follow up questions, don't hesitate to contact me.

All the best,

Elliot

[Quoted text hidden]



CASE NO. ZA-15227(O)(PA6)

2 messages

Jill Johnston <jillj@usc.edu>

Fri, Apr 15, 2022 at 10:42 AM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Cc: Bhavna Shamasunder

 bhavna@oxy.edu>

Dear Connie Chauv and Edber Macedo,

Please consider the attached letter regarding CASE NO. ZA-15227(O)(PA6) on the Murphy Drill Site.

Sincerely,

Jill Johnston

Jill Johnston, PhD

Associate Professor of Environmental Health

Director of Community Engagement

Department of Population & Public Health Sciences

https://ejresearchlab.usc.edu

Keck School of Medicine

University of Southern California

jillj@usc.edu

(o) 323-442-1099 (c) 818-927-1246



Murphy hearing letter FINAL Apr 2022.pdf 281K

Edber Macedo <edber.macedo@lacity.org>

Fri, Apr 15, 2022 at 10:45 AM

To: Jill Johnston <jillj@usc.edu>

Good morning Dr. Johnston,

I am in receipt of your message and attachment. I will be sure to add your email and attached letter to the case file for the Zoning Administrator's review. Thank you.

Cordially, Edber [Quoted text hidden]



Edber Macedo (he/him) City Planning Associate

Los Angeles City Planning

200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org













OXY Occidental College

Department of Population and Public Health Sciences

TO: Mr. Charles Rausch, Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

RE: CASE NO. ZA-15227(O)(PA6) Murphy Drill Site, 2126 W. Adams Blvd.

April 12, 2022

This letter is submitted to support public health protections for residents living nearby drill operations. Oil and gas extraction wells can impact the neighboring communities from construction, production, processing and transportation. Air surrounding oil and gas production areas is particularly vulnerable to toxic emissions Recent research measured multiple health-hazardous air pollutants associated with petroleum extraction, including particulate matter (PM), nitric oxides (NOx), polyaromatic hydrocarbons, benzene, naphthalene, xylenes, toluene, ethylbenzene, formaldehyde, and sulfuric acid.¹ Chemicals associated with oil extraction and production include carcinogens, mutagens, reproductive toxins, irritants and endocrine disruptors.²-6 These chemicals can migrate off-site due to fugitive emissions, spills, leaks, or accidents.²-5,7 Air quality is further compromised by truck traffic to and from the drilling site or operation of diesel equipment.

Exposure to these air pollutants have been shown to be higher in areas near drilling sites^{4,5,8,9} — and the scientific literature demonstrates adverse human health impacts from exposure to these chemicals.^{8,10} Acute inhalation exposures to petroleum hydrocarbons have found increased risks of eye irritation and headaches,^{11,12} as well as asthma symptoms.¹³⁻¹⁵ Few protections are in place to prevent the release of pollutants into nearby residential areas.^{16,17} These issues can be heightened when drill sites operate in violation of existing regulations.

The neighborhoods surrounding the Murphy drill site are among the top 10% most disproportionately-environmentally burdened communities in the state, according to CalEnviroScreen, thus residents living in this community face some of the highest combined cumulative environmental, social, and economic burdens. Air quality studies in the community found higher concentrations of climate- and health-damaging air pollutants in close proximity to oil and gas development sites compared to farther away. Our research further documented research episodic oil-related air pollution events in the community. 19-21

Health studies we conducted near the Murphy drill site in the City of Los Angeles, found that residents living near Murphy drill site reported significantly higher prevalence of wheezing, eye and nose irritation, dizziness and odors compared with the idle site in North University Park.²² Further we



measured FEV1 (forced expiratory volume in the first second of exhalation) and FVC (forced vital capacity and self-reported acute mental and physical health symptoms. FEV1 and FVC are established strong and independent predictors of respiratory disease, cardiovascular mortality and all-cause mortality. ²³⁻²⁶ We observed that living near (<200m) of oil operations was associated with, on average, -94 mL lower FEV1 (95% CI: -190, -2) and -105 mL lower FVC (95% CI: -224, 14) compared to residents living more than 200m from the wells after adjustments for covariates, including age, sex, height, race/ethnicity, asthma status and smoking status. When accounting for predominant wind direction and proximity, we observed that residents living downwind and less than 200m from oil operations have, on average, -231 mL lower FEV1 (95% CI: -410, -52) and -280 mL lower FVC (95% CI: -502, -59) compared to residents living upwind and more than 200m from the wells. When stratified by neighborhood, the magnitude of the difference was larger for residents near the active compared to the idle well. Thus, we found preliminary evidence that proximity to oil drilling, even in an urban environment, can have impacts on respiratory health.

The data is consistent with the larger body of research in the state of California and across the country. Living near petroleum extraction activity has been linked to adverse pregnancy and birth outcomes, ²⁷⁻³² hematopoietic cancer, ^{33,34} alteration of immunological function ^{35,36,37} and increase risk of asthma emergency visits. ^{14,15,38}

From a public health perspective, it is important to reduce community exposures to harmful pollutants at home, in schools and at workplaces.

Sincerely,

Jill Johnston, PhD Associate Professor

Director, Community Engagement Division of Environmental Health

Department of Population and Public Health Sciences

Keck School of Medicine

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323-442-1099 jillj@usc.edu

Bhavna Shamasunder, PhD

Chair & Associate Professor

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Murphy Drill Site | Case Number: ZA-1959-15227-O-PA6

2 messages

Richard Parks < richard@redeemercp.org>

Tue, Apr 19, 2022 at 3:45 PM

To: "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Cc: "Tanisha Thomas (WANA President)" <tanishat@wana-la.org>, Edber Macedo <edber.macedo@lacity.org>

Good afternoon Ms. Chauv,

I hope you are well. After careful consideration, the West Adams Neighborhood Association voted at its February 15 monthly meeting to submit the attached letter into the case file for ZA-1959-15227-O-PA6. Thank you for your assistance with this matter.

Kind regards. Richard Parks

----- Forwarded message -----

From: Tanisha Thomas <tanishat@wana-la.org>

Date: Tue, Feb 22, 2022 at 11:37 AM

Subject: Signed Letter

To: Richard Parks < richard@redeemercp.org>

Hi Richard,

Here is a scanned copy of the signed letter.

I will drop the hard copy off today.

Thanks!

Tanisha B. Thomas Sent from my iPhone



WANA Signed Letter Case No. ZA-15227(O)(PA6).pdf 81K

Connie Chauv < connie.chauv@lacity.org>

Tue, Apr 19, 2022 at 4:56 PM

To: Richard Parks < richard@redeemercp.org>

Cc: "Tanisha Thomas (WANA President)" <tanishat@wana-la.org>, Edber Macedo <edber.macedo@lacity.org>

Hello Richard,

Thank you for your email and for sharing comment letter. It will be included in the case file and transmitted to the Zoning Administrator for their consideration.

Best.



Connie Chauv

Pronouns: She, Her, Hers

City Planner

Los Angeles City Planning

200 N. Spring St., Room 720/721

Los Angeles, CA 90012



Post Office Box 180254 Los Angeles, CA 90018 Tanisha B. Thomas, President Jill Flanders, Vice President Cecilia Schumake, Secretary Rita Bertrand, Treasurer

February 22, 2022

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: CASE NO. ZA-15227(O)(PA6) Murphy Drill Site, 2126 W. Adams Blvd.

Dear Ms. Mailian,

The West Adams Neighborhood Association (WANA) represents the community west of the Murphy Drill Site bordered by Western Ave. on the West, Adams Blvd. on the North, Normandie Ave. on the East, and Jefferson Blvd. on the South. Many of the drill site's wells are bottomed under our neighborhood and, consequently, many of our members are royalty holders. WANA calls on the City to end toxic oil extraction in our community.

For decades the City of Los Angeles has required oil drill sites in wealthier, less ethnically diverse, West LA neighborhoods to be enclosed, use electric workover rigs, and to be powered by an LADWP connection. These requirements minimize pollution and other health harms to nearby residents. None of these protections have been extended to our South LA community. The Murphy Drill Site is open, uses diesel workover rigs, and burns millions of cubic feet of gas to generate electricity to power the facility. This mounting pollution burden is harming residents' health.

Recent research studies from USC and Occidental College have found a substantial reduction in lung capacity and respiratory health in residents living within 1,000 meters of the Murphy Drill Site. These reductions were similar to those for people who are exposed to secondhand cigarette smoke on a daily basis or who live next to a busy freeway. The harms were greater on the downwind side of the drill site where our community is located. Researchers noted that the damage appears to be permanent.

These galling harms are consistent with overwhelming scientific research. In 2021, the state oil regulator, the California Geologic Energy Management Division (CalGEM),

proposed a minimum 3,200-foot setback around oil drill sites to protect health and safety. The setback nearly encompasses the entirety of our community.

Harming the health of our children, limiting their potential, and making them more vulnerable to debilitating and deadly respiratory diseases such as COVID-19 and asthma is the City's legacy of prioritizing corporate wealth over public health.

An array of regulatory agencies have cited the operator and their contractors for violations while many other violations have gone unprosecuted. For example, last year:

- January 5, 2021 The operator degassed five 21,000-gallon tanks flooding the surrounding neighborhood with noxious fumes. The equipment permits prohibited use of the tanks within 1,000 feet of a school, but there are three schools 870 feet from the drill site: one elementary school with 600 students, a middle school with 447 students, and a high school for 300 students with severe disabilities. The South Coast Air Quality Management District issued two Notices of Violation: one for violating permits and the other for lying to the agency. The operator said the nearest resident lived a half-mile away, instead of 40 feet.
- March 18, 2021 The operator hired a company to transport and deploy radioactive isotopes at the drill site for well testing. The California Highway Patrol determined that the truck, which made multiple trips to the drill site, had been unpermitted and illegal for roadway use for more than 12-years.
- May 27, 2021 Two 5,000-gallon tanker trucks pumped high pressure acid and other toxic chemicals into the ground without a Determination of Conditions in violation of the municipal code.
- € November 19, 2021 A South Coast Air Quality Management District inspector issued a violation notice for a gas leak greater than 50,000 ppm, the level at which methane becomes explosive. The inspector also found that the operator had inexplicably removed an odor control system that was installed earlier in the year following numerous odor complaints.

Other violations remain under investigation. For example, in December residents asked the California Environmental Protection Agency (CalEPA) to investigate the operator's practice of leaving the drill site unattended for extended periods of time (up to five-and-a-half hours) at night despite its representation to various regulators that the site was staffed 24/7. Even after residents addressed these concerns to the operator's senior vice president, Louis Zylstra, the company failed to take action.

It should be manifestly clear to the City that (1) the operator is a serial violator of its operating conditions and (2) the conditions are insufficient to protect the public's health and safety.

Therefore, we call on the City to revoke the operator's conditional use permit. The facility constitutes a public nuisance and a perpetual threat to residents' health and safety. At the very least, the City should extend to our community the same protections given to "quality" neighborhoods decades ago: enclose the facility, ban the use of diesel engines, and prohibit the burning of gas on site.

Thank you for your careful consideration of this matter of urgent concern to our community.

Respectfully yours,

Tanisha B. Thomas

Mothomas

President

West Adams Neighborhood Association



CASE NO. ZA-15227(O)(PA6)

Jill Johnston <jillj@usc.edu>

Fri, Apr 15, 2022 at 10:42 AM

Dear Connie Chauv and Edber Macedo,

Please consider the attached letter regarding CASE NO. ZA-15227(O)(PA6) on the Murphy Drill Site.

Sincerely,

Jill Johnston

Jill Johnston, PhD

Associate Professor of Environmental Health

Director of Community Engagement

Department of Population & Public Health Sciences

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Murphy hearing letter FINAL Apr 2022.pdf 281K



OXY
Occidental
College

Department of Population and Public Health Sciences

TO: Mr. Charles Rausch, Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

RE: CASE NO. ZA-15227(O)(PA6) Murphy Drill Site, 2126 W. Adams Blvd.

April 12, 2022

This letter is submitted to support public health protections for residents living nearby drill operations. Oil and gas extraction wells can impact the neighboring communities from construction, production, processing and transportation. Air surrounding oil and gas production areas is particularly vulnerable to toxic emissions Recent research measured multiple health-hazardous air pollutants associated with petroleum extraction, including particulate matter (PM), nitric oxides (NOx), polyaromatic hydrocarbons, benzene, naphthalene, xylenes, toluene, ethylbenzene, formaldehyde, and sulfuric acid.¹ Chemicals associated with oil extraction and production include carcinogens, mutagens, reproductive toxins, irritants and endocrine disruptors.²-6 These chemicals can migrate off-site due to fugitive emissions, spills, leaks, or accidents.²-5,7 Air quality is further compromised by truck traffic to and from the drilling site or operation of diesel equipment.

Exposure to these air pollutants have been shown to be higher in areas near drilling sites^{4,5,8,9} — and the scientific literature demonstrates adverse human health impacts from exposure to these chemicals.^{8,10} Acute inhalation exposures to petroleum hydrocarbons have found increased risks of eye irritation and headaches,^{11,12} as well as asthma symptoms.¹³⁻¹⁵ Few protections are in place to prevent the release of pollutants into nearby residential areas.^{16,17} These issues can be heightened when drill sites operate in violation of existing regulations.

The neighborhoods surrounding the Murphy drill site are among the top 10% most disproportionately-environmentally burdened communities in the state, according to CalEnviroScreen, thus residents living in this community face some of the highest combined cumulative environmental, social, and economic burdens. Air quality studies in the community found higher concentrations of climate- and health-damaging air pollutants in close proximity to oil and gas development sites compared to farther away. Our research further documented research episodic oil-related air pollution events in the community. 19-21

Health studies we conducted near the Murphy drill site in the City of Los Angeles, found that residents living near Murphy drill site reported significantly higher prevalence of wheezing, eye and nose irritation, dizziness and odors compared with the idle site in North University Park.²² Further we

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measured FEV1 (forced expiratory volume in the first second of exhalation) and FVC (forced vital capacity and self-reported acute mental and physical health symptoms. FEV1 and FVC are established strong and independent predictors of respiratory disease, cardiovascular mortality and all-cause mortality.²³⁻²⁶ We observed that living near (<200m) of oil operations was associated with, on average, -94 mL lower FEV1 (95% CI: -190, -2) and -105 mL lower FVC (95% CI: -224, 14) compared to residents living more than 200m from the wells after adjustments for covariates, including age, sex, height, race/ethnicity, asthma status and smoking status. When accounting for predominant wind direction and proximity, we observed that residents living downwind and less than 200m from oil operations have, on average, -231 mL lower FEV1 (95% CI: -410, -52) and -280 mL lower FVC (95% CI: -502, -59) compared to residents living upwind and more than 200m from the wells. When stratified by neighborhood, the magnitude of the difference was larger for residents near the active compared to the idle well. Thus, we found preliminary evidence that proximity to oil drilling, even in an urban environment, can have impacts on respiratory health.

The data is consistent with the larger body of research in the state of California and across the country. Living near petroleum extraction activity has been linked to adverse pregnancy and birth outcomes, 27-32 hematopoietic cancer, ^{33,34} alteration of immunological function ^{35,36,37} and increase risk of asthma emergency visits. 14,15,38

From a public health perspective, it is important to reduce community exposures to harmful pollutants at home, in schools and at workplaces.

Sincerely,

Jill Johnston, PhD Associate Professor

Director, Community Engagement

Division of Environmental Health

Lu Shat

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REFERENCES

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- 2. Garcia-Gonzales DA, Shonkoff SBC, Hays J, Jerrett M. Hazardous Air Pollutants Associated with Upstream Oil and Natural Gas Development: A Critical Synthesis of Current Peer-Reviewed Literature. Annu Rev Public Health 2019;40:283-304.
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2146 W. Adams Blvd. LA, CA. 90018 www.inthemeantimemen.org

To:

Mr. Charles Rausch, Associate Zoning Administrator, Department of City Planning Department

200 North Spring Street, Room 720

Los Angeles, CA 90012

From: Mr. Jeffrey King, Executive Director, In The Meantime Men's Group, Inc

2146 W. Adams Blvd. Los Angeles, CA 90018

(SENT VIA EMAIL TO CONNIE CHAUV and EDBER MACEDO, LA City Planning Dept.)

Ref: 1959-15227-O-PA6

Dear Mr. Rausch,

Thank you for the opportunity to submit a public comment in reference to Case No. ZA-1959-15227-O-PA6 prior to the public hearing on April 28, 2022. I serve as the Executive Director of In The Meantime Men's Group, Inc. We are a 501 C 3 non-profit community service organization with a purpose to enrich, empower, and extend the lives of intergenerational black men, respectful of sexual orientation, through social, educational, health and wellness programs and services. Our office building is located at 2146 W. Adams Blvd., which is next door to the Murphy site operated by E&B Natural Resources. We've been neighbors to this site for over 15 years.

We are familiar with the majority of our neighbors in the community, and we have had the opportunity to meet with E&B Natural Resources who is a newer member to our community. From our interactions with their staff and from sharing a property line with them, I can share with you that our experience with them has overall been positive. We have not had any major issues or concerns with the property in the 15 plus years we have been next to the site.

If you have any questions or would like to reach out to us, please do not hesitate to call upon me. Our phone number is 323-733-4868.

Sincerely,

Jeffrey King, Executive Director In The Meantime Men's Group, Inc.



Re: Reference Case ZA 15227 (0) (PA6)

Greg Wilson <greg.itmt@yahoo.com> Tue, Apr 26, 2022 at 3:50 PM To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Please see attached letter.

Thank You



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Re: Reference Case ZA 15227 (0) (PA6)

2 messages

Greg Wilson < greg.itmt@yahoo.com>

Tue, Apr 26, 2022 at 3:50 PM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "connie.chauv@lacity.org" <connie.chauv@lacity.org>

Please see attached letter

Thank You





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Connie Chauv <connie.chauv@lacity.org>

Wed, Apr 27, 2022 at 8:05 AM

To: Greg Wilson <greg.itmt@yahoo.com>

Cc: "edber.macedo@lacity.org" <edber.macedo@lacity.org>

Hello Greg,

Thank you for your email and comment letter. It will be included in the case file and transmitted to the Zoning Administrator for their consideration.

If you'd like to be included on the Interested Parties list, please follow the below instructions from the agenda:

Fill out the following Interested Parties Form to be notified when a decision on an item on the agenda is rendered. Reference the relevant case number and staff contact person. https://tinyurl.com/interested-parties

Thank you

__



Connie Chauv

Pronouns: She, Her, Hers

City Planner

Los Angeles City Planning

200 N. Spring St., Room 720/721

Los Angeles, CA 90012

T: (213) 978-0016 | Planning4LA.org











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Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

2 messages

Marco Servetti <marco@visionlosangeles.com>
To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>

Mon, Apr 25, 2022 at 11:39 AM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My partner and I have lived on 29th Place, between Western and Saint Andrews, since March 2019, which is 0.5 miles away from the drill site.

There have been many documented violations at the site, from methane leaks that could lead to an explosion, to the spraying of toxic chemicals that have long term effects on our endocrine systems. This is detrimental to our health and it needs to stop.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

I've also attached a signed copy of this letter.

Sincerely,

Marco Servetti Men's Division Director

Vision Los Angeles

8631 Washington Blvd.

Culver City, CA 90232

Tel: 310.733.4440

Cell: 310 9273090

visionlosangeles.com

visionaries.visionlosangeles.com

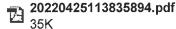


vi·sion·ar·y – a person with original ideas about what the future will or could be like.

Discover our new visionaries division.

Not an influencer division, not seeking likes or approval.

Inspired. Inspiring. Visionary.



Edber Macedo <edber.macedo@lacity.org> To: Marco Servetti <marco@visionlosangeles.com> Tue, Apr 26, 2022 at 7:37 AM

Dear Marco.

I have received your correspondence and I have personally added it to the case file for the Zoning Administrator's review.

Best. Edber

[Quoted text hidden]

LOS ANGELES CITY PLANNING

Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org











Subject: Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. My partner and I have lived on 29th Place, between Western and Saint Andrews, since March 2019, which is 0.5 miles away from the drill site.

There have been many documented violations at the site, from methane leaks that could lead to an explosion, to the spraying of toxic chemicals that have long term effects on our endocrine systems. This is detrimental to our health and it needs to stop.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Marco Servetti

marco@visionlosangeles.com

310.927.3090



Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

2 messages

Liz S. Wang < lizsaura@gmail.com>
To: edber.macedo@lacity.org

Mon, Apr 25, 2022 at 10:58 AM

Dear Zoning Administrator,

The Murphy Drill Site is a public nuisance day and night. I have lived half a mile from the drill site for over a year, and am disappointed to hear of this drill site's damaging impact next door to our homes, healthcare facilities and schools.

This site is concerning to me/my family/neighbors/community because of the drill site's air pollution, toxic chemicals, noise, fumes, and odors make it an incompatible and out-of-date land use with a residential neighborhood.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

I would hope that after all we have come to learn in educating ourselves in science, environment and engineering, about the dangers of air pollution, its environmental impact, and the long term effects of toxic chemicals, that our city would want to evolve intelligently and shed these industrial relics. An oil drill site does not align with the future of renewable resources and environmental consciousness of Los Angeles and California; moreover, the neglect of ensuring compliance at the drill site does not align with remediation of what we know exists in the disparate and discriminatory treatment of South LA communities. We should not allow this to persist where it does not sync up with the future we aspire to have.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue. Making a small change for the benefit environmental advancement and the betterment of a historically disadvantaged community would move the needle in the right direction.

Sincerely, Liz Wang

Edber Macedo <edber.macedo@lacity.org>
To: "Liz S. Wang" lizsaura@gmail.com>

Tue, Apr 26, 2022 at 7:37 AM

Dear Liz,

I have received your correspondence and I have personally added it to the case file for the Zoning Administrator's review.

Best,

Edker

[Quoted text hidden]



Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012













Thryeris Mason President

Julianne Burg

March 1, 2022

Vice President

Ms. Estineh Mailian, Chief Zoning Administrator

Samantha Burg Secretary

Office of Zoning Administration 200 N. Spring Street, Room 763

Treasurer
Joe Vaca

Julie Burg

Los Angeles, CA 90012-4801

Area 1 Representative

Re: CASE NO. ZA-15227(O)(PA6), Murphy Drill Site, 2126 W. Adams Blvd.

Area 1
Representative Relate

Related Case: ZA-1959-15227-0

David Greenman Area 2

Via e mail

Representative

Mehul Patel

Dear Ms. Mailian,

Representative

Jean Frost

Area 2

Jean Frost Area 3 Representative

Nicolas Creighton Area 3

Representative

Cindy Gaete

At Large
Representative

Jon Tieuel At Large Representative

Jim Childs At Large Representative

Vacant USC Interest Representative

Vacant Business Interest Representative NANDC understands that the ZA is reviewing the Murphy Drill Site's compliance with its operating conditions and the sufficiency of those conditions to protect public health and safety. New research shows that negative health impacts are appearing in a wide radius beyond these sites.

The NANDC Board at its February 3, 2022 voted to support the modernization of the Murphy Drill Site's operating conditions to include health protections extended to West LA Drill sites decades ago. The three health protections are (1) enclosure of the facility, (2) use of electric workover rigs, not diesel, and (3) prohibition on burning gas on-site either for power generation or flaring.

There is a long history of issues regarding this site. It is apparent that the current protections are inadequate. There is a record that sites not in South Los Angeles have been afforded superior protections. We join with our community partners Redeemer Community Partnership and other stakeholders to urge that the site be modernized.

The City Council is currently discussing taking steps toward halting new oil and gas wells in the city, and eventually phasing out existing oil and gas drilling sites

as well. In the meantime, residents and stakeholders need every protection available.

Please advise NANDC of any future hearings or meetings regarding this site or oil drilling generally.

NANDC is a self-governed, self-directed, and independent organization empowered by the Los Angeles City Charter. This charter offers neighborhood councils a role in the City's decision-making process. NANDC was certified by the City of Los Angeles on April 27, 2002, and was the 24th neighborhood council formed under the guidelines of the City Charter.

Sincerely,

- E3460 30-1

Thryeris Mason, President Empowerment Congress North Area Development Council (NANDC) www.NANDC.com

cc: Councilmember Curren Price, CD 10
Sherilyn Correa, CD 10
Nora Gutierrez, CD 10
Richard Parks, Redeemer Community Partnership
Dylan Sittig, Planning



Connie Chauv <connie.chauv@lacity.org>

Regarding Thursday's hearing on oil drilling, ZA-1959-15227-O-PA6 -- no online agenda/meeting materials packet for the public to review

Laura Meyers < lauramink@aol.com> Reply-To: Laura Meyers < lauramink@aol.com> To: "connie.chauv@lacity.org" <connie.chauv@lacity.org> Tue, Apr 26, 2022 at 4:51 PM

Hi, Connie. I hope you are well.

As you may know, I am the current president of United Neighborhoods Neighborhood Council (UNNC) and co-chair of its Planning & Zoning Committee. As with any neighborhood council, a key part of our role in the community is to empower stakeholders to voice their own concerns regarding any matter that affects the community. As a result, we pay very close attention to transparency on the part of the City.

I am writing you because I cannot find any folder containing "presentations and any relevant documents" online in the ZA google drive that the agenda directs the public to. As of this writing (almost 5 p.m., April 26, 2022), we are well past the 72-hour point.

I realize that it is traditional department policy and procedure that the Zoning Administrator does NOT prepare an advance report of any kind for anyone to review (be it virtual or by any other means).

HOWEVER, the Brown Act does require that any materials that are distributed to the "Body" (in this case, the ZA who is the quasi-judicial authority) need to also be distributed to the public. That action should have been taken 72 hours in advance for anything that was submitted earlier, and from this point forward anything you receive and add to the assigned deputy Zoning Administrator's own folder (be it physical or virtual) needs to "without delay" (again, per the Brown Act and associated court rulings) also be distributed to the public.

Now that we (the City) are using the digital online packet format for distribution of materials, this should be relatively "easy" for you to do. Honestly, I know that these days nothing is particularly easy! And that we are all very, very overworked.

But I also recognize that there must be at least a presentation from the Applicant (because the Applicant test-drove a version of the presentation at UNNC) and likely communications from local advocates, since UNNC had also received a detailed letter earlier this month.

Anyway, at a minimum the presentation should be visible by now, I hope you do have it.

Thank you,

Laura Meyers



Edber Macedo <edber.macedo@lacity.org>

Fwd: Murphy Drill Site

Hakeem Parke-Davis hakeem.parke-davis@lacity.org
To: Edber Macedo hakeem.parke-davis@lacity.org

Thu, Feb 3, 2022 at 12:43 PM

Hakeem Parke-Davis Planning Deputy Council District 10

Hi Edber,

Received this email from Richard Parks, shedding light on comparable operations. Can you include his correspondence in the file for the ZA's consideration.

----- Forwarded message -----

From: Richard Parks < richard@redeemercp.org>

Date: Fri, Jan 28, 2022 at 9:55 PM Subject: Re: Murphy Drill Site

To: Karly Katona karly.katona@lacity.org, Hakeem Parke-Davis hakeem.parke-davis@lacity.org, Evelin Barajas kevelin.barajas@lacity.org, Iouis chase kevelin.barajas@lacity.org, Byron Chan

<bchan@earthjustice.org>, Kartik Raj <kraj@earthjustice.org>, Kayla Tilton <kayla.tilton@lacity.org>, Brittney Lu

<brittney@redeemercp.org>

Dear Karly and Hakeem,

I hope you both are well. Thank you again for meeting with us last week. Following up, you will find the two Zoning Administration determinations you requested:

- 1. The 2000 West Pico Boulevard Drill Site Determination (ZA 18129(PAD)). You will see on PAGE 11 that the site is mandated to use an electric workover rig and that no power can be generated on the drill site. Condition 49 reads, "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."
- 2. The 2017 <u>Jefferson Drill Site Determination of Methods and Conditions</u> (ZA-1965-17528(PA5)). You will see on PAGE 4 that the Zoning Administrator required the operator to enclose the drill site and install an enhanced vapor recovery system along the top of the opening. You will recall from our sharing that the operator decided to close the drill site rather than comply.

Several residents have asked this week, what the City Council's vote to phase-out oil drilling means for the Murphy Drill Site and how soon could we expect operations to come to an end. Clearly, powerful interests are working to stop the clock. For example, the oil industry has said it will file litigation to stop the phase-out. In the best-case scenario, we expect it will take approximately 1 year for the ordinance to be drafted and adopted by the City Council, followed by 2-3 years for amortization studies, followed by approximately 4-6 years for the amortization period. Toxic oil extraction could continue to harm residents' health for 7-10 years and possibly longer. Therefore, the urgency to modernize the Murphy Drill Site's operating conditions remains.

The West Pico and Jefferson determinations make clear the feasibility of (1) enclosure of the drill site, (2) use of an electric workover rig, not diesel, and (3) a prohibition on burning gas on site either to generate electricity or to flare it.

These protections were extended to West LA neighborhoods decades ago. We hope that you will join us in calling for these same protections for our community in the form of a letter to the Zoning Administrator. Thank you for your consideration. Please feel free to contact me if you have any questions.

Kind regards,

Richard

On Thu, Dec 16, 2021 at 4:31 PM Karly Katona karly.katona@lacity.org wrote: Hi Richard,

Hope you are well.

Thanks for reaching out.

Happy to meet, and am also copying Erica Blyther to respectfully request that she join us.

Evelin from our team is taking a few days off, but I trust will circle back next week or early the following to set up a time.

Take care and Happy Holidays.

Karly Katona

Chief of Staff

Tenth District, City of Los Angeles

On Thu, Dec 16, 2021 at 9:29 AM Richard Parks <richard@redeemercp.org> wrote:

Dear Ms. Katona,

I hope you are doing well. Earlier this year, we met with your staff to provide an update on nuisance activities and violations at the Murphy Drill Site. Since our initial conversation there have been substantial new developments. Could we schedule a time to meet in the new year to brief you and discuss the upcoming public hearing? Thank you for your consideration.

Kind regards, Richard

_ .

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2 attachments



2000-04-05 - West Pico-Doheny - ZA-17683-PAD.pdf 1719K



Edber Macedo <edber.macedo@lacity.org>

Murphy Drill Site | Updated Violations List

1 message

Richard Parks <richard@redeemercp.org>
To: Edber Macedo <edber.macedo@lacity.org>
Cc: Brittney Lu <bri>tney@redeemercp.org>

Fri, Feb 11, 2022 at 1:15 PM

Hi Edber,

I hope you're doing well. We have updated the list of Murphy Drill Site regulatory violations to include violations through the end of 2021 as well as some others that we have found since sending you the first list. Recently, LAFD CUPA told us that they issued a NOV to E&B at the Murphy Drill Site on January 5, 2022, however, our Public Records Request has not yet returned responsive documents. We will keep you updated as we receive more information.

Have a good weekend.

Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org





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ΊЧ⊥	6Z-60-900Z	Report 5302	дХЧ	NC	LAFD
OP	5009-00-58	Report 5302	дХЧ	NC	LAFD
Pro	2009-12-04	Report 5302	dХd	NC	LAFD
Fa	2011-11-16	02699러	дХЧ	ΛΟN	DMDA
ΑJ	2012-10-17	16291	bvl8 emsbA W 8s1s	Fire/Life Safety Violation	LAFD
I!O	2013-11-26	A\N	bvl8 emsbA W 821S	NC	DBS
'nЧ	20-10-4102	E07511	FMOG	NC	DMDA
F3	2014-01-10	P55639	FMOG	ΛΟN	DMDA
DΛ	2014-01-10	P55645	FMOG	ΛΟN	DMDA
QD	2014-01-23	Report 5602	FMOG	NC	LAFD
зM	2014-01-23	Report 5602	FMOG	NC	LAFD
зM	2014-01-23	Report 5602	FMOG	NC	LAFD
Pro	2014-01-23	Report 5602	FMOG	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	ΠΗΡ
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	LAFD
Fa	2016-04-19	DY6FKNKOX	Мигрћу	NC	LAFD
Fa	2016-04-19	DY6FKNKOX	Мигрћу	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Мигрћу	CF¥22 II	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	NC	LAFD
Fa	2016-04-19	DA6FKNKOX	Murphy	CFY28 II	LAFD
Fa	2016-04-19	DA6FKNKOX	Мигрћу	CLASS II	LAFD
Fa	2016-04-19	DY6FKNKOX	Мигрhy	ИС	DAFD
Fa	2016-04-19	DA6FKNKOX	Мигрћу	NC	LAFD
ЭN	2017-03-17	1711456001	SPR (Tank Farm)	Fire/Life Safety Violation	LAFD
ЭИ	71-60-7102	1711456001	SPR (Tank Farm)	Fire/Life Safety Violation	LAFD
ЛЧ	2018-10-03	1811456001	SPR (Tank Farm)	Fire/Life Safety Violation	LAFD



Connie Chauv <connie.chauv@lacity.org>

Murphy Drill Site | CASE NO. ZA-15227(O)(PA6)

Michael Jones <michael.jones.sc@gmail.com>
To: edber.macedo@lacity.org, connie.chauv@lacity.org

Fri, May 27, 2022 at 10:32 AM

Dear Zoning Administrator,

I hope you are well and healthy.

My name is Michael Jones and I have lived 500 feet from my Murphy Drill Site for six years. I live in the Sugar Hill Apartments which not only house me, but my neighbors, some of whom have lived in these very apartments for over 30 years.

When I moved into these apartments 6 years ago, I remember my neighbor telling me to be prepared to mop and sweep my apartment daily. I have also heard my neighbors complaining about how their cars are constantly dirty. It only took some time to put it together. The particulate matter from the nearby drill site was covering our cars and entering into our homes. The dust being a clear visual of the invisible harms that I am breathing into my body daily. What damage have I done to my health by living in these apartments for six years? What damage has been done to my neighbors' health by living in these apartments for the majority of their lives? What damage is being done to the health of the three little ones that live below me?

Neighbors who live in the more affluent parts of our neighborhood worry about the aesthetics of enclosing the drill site. The fact of the matter is that the drill site *right now* is not aesthetically pleasing and it is making **all** of us, rich and poor living nearby, suffer. If we can enclose the drill site, at least one of the issues will be resolved--protecting the health and well-being of those who live nearby.

E&B Natural Resources has repeatedly shown the City and the community that it will break rules meant to protect the public's health and safety. Fundamentally, oil and neighborhoods do not mix. This is a land use that is not compatible with a residential neighborhood that existed over a half-century before it arrived.

Therefore, I urge you at the very least to extend to our community the health protections given by your office to wealthier, whiter, West LA neighborhoods decades ago. Specifically, I call on you to (1) enclose the Murphy Drill Site, (2) require electric workover rigs instead of diesel, and (3) prohibit the burning of methane gas on site. The time for the City to end its disparate and discriminatory treatment of South LA residents is long overdue.

Sincerely,

Name: Michael R. Jones

Address: 2235 W. 26th Pl. #10, Los Angeles, CA 90018

Phone/Email: (408) 497-1494/michael.jones.sc@gmail.com



Murphy Drill Site | November 10, 2021 Incident

3 messages

Richard Parks <richard@redeemercp.org>
To: Edber Macedo <edber.macedo@lacity.org>

Thu, Jan 13, 2022 at 1:11 PM

Cc: Erica Blyther <erica.blyther@lacity.org>, Brittney Lu <brittney@redeemercp.org>

Good afternoon Edber,

I hope you are doing well. Erica Blyther, asked if I would share this video of the November 10, 2021 Murphy Drill Site incident with you so that it could help inform the zoning administrator's consideration of ZA-15227(O)(PA6). She and her staff are in the process of investigating what happened.

On November 18, Ted Cordova of E&B Natural Resources explained away the incident saying that, "On November 10, the system was signaling the need for equipment to be replaced (an instrument air filter)." If so, it was a dramatic signal.

As always, thank you for your help.

Kind regards, Richard

Forwarded message

From: Richard Parks <richard@redeemercp.org>

Date: Thu, Dec 2, 2021 at 10:32 PM Subject: Re: Murphy site - Nov. 10

To: Erica Blyther <erica.blyther@lacity.org>

Cc: Edber Macedo <edber.macedo@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>

Thank you for your message. You will find a video clip of the incident attached. Despite the early evening light and low resolution, it still provides a straightforward view of what provoked our concern. The video begins at 4:51pm on November 10th. Here is the sequence of events that it captures;

- 4:51 Two red lights are flashing; one above the office, the other in front. 4:51 A worker exits the office leaving the door open.
- 4:52 As he returns to the office, he appears to pause at the door as steam or smoke suddenly fills the lower drill site. Streams of liquid are visible shooting out. 4:52 - A second worker hustles into the office.
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Here's a recap of Mr. Cordova's explanation:

"On November 10, the system was signaling the need for equipment to be replaced (an instrument air filter). This is not an emergency event nor does it put anyone including our workers at risk. This notification was addressed and the instrument air filter was replaced. To change the instrument air filter, the operator shuts off the gas processing equipment. When that equipment gets restarted, you can experience some condensate (steam) coming off the process skid."

It is difficult to square Mr. Cordova's explanation with the video. While he makes clear that E&B has not reported the incident to any regulatory agency, he does not address:

- Which piece of equipment experienced a failure?
- Mr. Cordova describes "some condensate (steam) coming off the process skid" when equipment gets restarted. Does the video capture workers restarting equipment at 4:52pm or did he omit the 4:52pm equipment failure in order to describe something that may have happened later?

 How was the smoke and/or steam and pressurized liquid released beginning at 4:52pm (e.g. a broken pipe, ruptured tank, open valve, etc.)?

 What was the liquid that shot out? If it was "water", was it potable (i.e. safe to drink) or produced (i.e. from one of the oil wells)?

- What the liquid spraying out hot? If so, what was its temperature in the storage vessel?

 What exactly did the flashing red lights signal to the staff? Did they indicate low water pressure as suggested by the night operator or something else?
- Were workers in any danger from these shooting streams of liquid and steam?

Fortunately, this incident happened near the 5pm shift change so there were two operators on site instead of one (or none as is often the case at night). The operator who would have departed at 5pm staved until 6:35pm

After you review the video, I think you will agree that the incident raises legitimate concerns and merits a full and clear explanation. Thank you again for your help in reviewing this incident, [am very interested to hear your assessment

Kind regards,

Richard

From: Ted.Cordova Ted.Cordova@ebresources.com

Date: Thu, Nov 18, 2021 at 9:27 AM

Subject: Murphy site - Nov. 10
To: Erica Blyther <erica.blyther@lacity.org>

Cc: Edber Macedo <edber.macedo@lacity.org>, richard@redeemercp.org <richard@redeemercp.org>

Hi Erica.

Thank you for your inquiry regarding the Murphy site. It is my understanding that you would like to know what happened the evening of November 10, 2021 based off an inquiry from Mr. Richard Parks, Executive Director of Redeemer Community Partnership. I should also note that I spoke with Richard Parks yesterday and let him know I would be including him in my communication to the City. Richard also soke with our onsite operator on November 10th and the onsite operator let him know that there was no emergency event. Richard had seen our alarm system go off where red lights flash. The Murphy site has an alarm system that serves to notify us of a variety of things such as the gate opening at the front entrance, equipment notifications and other possible day to day operations.

On November 10, the system was signaling the need for equipment to be replaced (an instrument air filter). This is not an emergency event nor does it put anyone including our workers at risk. This notification was addressed and the instrument air filter was replaced. To change the instrument air filter, the operator shuts off the gas processing equipment. When that equipment gets restarted, you can experience some condensate (steam) coming off the process skid.

This type of event does not trigger any state or local regulatory reporting requirements.

We appreciate the inquiry. If you would like to at any time visit the site or have us walk you through this process onsite, please let me know.

Kind regards,

Ted

E&B Natural Resources Tel: 310-489-4972

Forwarded message -

From: Richard Parks <richard@redeemercp.org>

Date: Thu, Nov 11, 2021 at 2:11 PM Subject: Murphy Drill Site Incident

To: Erica Blyther <erica.blyther@lacity.org>

Cc: Brittney Lu <bri>brittney@redeemercp.org>, Edber Macedo <edber.macedo@lacity.org>

Hi Erica,

I hope you are doing well and enjoying the day off. Thank you again for taking my call this morning on a City holiday.

Yesterday, Wednesday, November 10, 2021 at 4:52pm we observed what appeared to be smoke or steam rising from the drill site in the area near the office. Two streams of fluid were visible; one that shot 25'-30' straight up into the air and a second stream that shot out at a 30 degree angle. Red emergency lights were flashing. Two workers were on site and could be seen running in and out of the office.

I called the night watch later in the evening to inquire about the incident. He informed me that the red lights flash when the gates are open, when the water pressure drops, and for a whole host of other "normal operation" conditions. When asked about the smoke and/or spray that was visible just before 5pm, he said there may have been a problem with the reboiler. He said I should expect some smoke when the reboiler is restarted, it has a flame. The worker, while friendly, made it clear that I should contact senior management for any explanation.

I left messages for Ted Cordova of E&B this morning on his cell and office phones but have not yet received a call back. Could you please assist us in understanding what transpired yesterday evening?

- Which piece of equipment experienced a failure?
- What caused the smoke and/or steam?
- What caused the liquid streams that shot out?
- What was the liquid that shot out? If it was "water", was it potable (i.e. safe to drink)? What was its temperature? Did the flashing red lights signal to the staff that there was low water pressure?

- Were workers in any danger?
 Has this incident been reported to any regulatory agency?

Thank you for your help.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>
To: Richard Parks <richard@redeemercp.org>

Cc: Erica Blyther <erica.blyther@lacity.org>, Brittney Lu <brittney@redeemercp.org>

Thu, Jan 13, 2022 at 1:22 PM

Good afternoon Richard.

Thank you for following up and providing additional information, including the video link, regarding this incident at the Murphy Drill Site, My office will be reviewing the timeline and the video.

Best. Edber [Quoted text hidden]



Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org









F O V In E-NEWS

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

Thu, Jan 13, 2022 at 1:22 PM

Typing out the YouTube link here: https://www.youtube.com/watch?v=TxE5EleIDtg&t=1s [Quoted text hidden]



Re: Murphy Oil Well

1 message

Richard Parks <richard@redeemercp.org>

Thu, Dec 23, 2021 at 11:00 PM

To: Alvin Dong <ahin.dong@lacity.org>
Cc: "Godkin, Caroline@EPA" <Caroline.Godkin@calepa.ca.gov>, Jason.Boetzer@calepa.ca.gov, Erica Blyther <erica.blyther@lacity.org>, lisa.webber@lacity.org, estineh.mailian@lacity.org>
Jennifer Tobkin <jennifer.tobkin@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Dear Mr. Dong,

Thank you again for your email today and for taking my phone call. Given the urgency of this matter and the short, 30-day window of time for you to review the drill site's video, I have compiled a response to your inquiry in the attached letter. You may want to request that E&B preserve the last 30-days of video so that you can continue to have a view of significant events that happened at the end of November. A previous letter with additional details and photos that was sent to the City of Los Angeles Office of the Zoning Administrator et al. is also attached to assist with your investigation. Please let me know if you have questions or need additional information, which we will be happy to provide. Thank you in advance for your careful consideration of this

Kind regards,

On Thu, Dec 23, 2021 at 11:05 AM Alvin Dong <alvin.dong@lacity.org> wrote:

Dear Mr. Parks,

The Los Angeles City Fire Department CUPA, has received your complaint dated 12/10/2021 from CalEPA. To ensure we are able to perform a complete investigation would you please provide the following information and specific dates that would help with the investigation:

When did you notice the red emergency lights at the facility?

Were there any sounds associated with the red emergency lights?

When did you notice the operator leaving the facility?

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When did you notice the operator leaving the facility to collect electric scooters only to return later to charge them and then distribute them across the city?

The facility has a video monitoring system that we could review if you could provide specific time and dates.

Your assistance, by answering the above questions, will allow LAFD to be able to corroborate the allegations within the complaint and resolve any potential actions that are not compliant with the management of the facility.

Feel Free to contact me, Alvin Dong. 213.238.3515, should you have any questions.

Respectfully, Alvin Dong CUPA RMPPS Fire Prevention Bureau Los Angeles Fire Department 213.238.3515 c

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2 attachments

2021-12-23 - LAFD CUPA - Failure to Implement SPCC Plan.pdf 1720K

2021-10-29 - OZA PA6 Letter - Site Left Unattended.pdf 2292K



Murphy Drill Site | November 10, 2021 Incident

Richard Parks <richard@redeemercp.org>

To: Edber Macedo <edber,macedo@lacity.org> Cc: Erica Blyther <erica.blyther@lacity.org>, Brittney Lu <brittney@redeemercp.org> ' Thu, Jan 13, 2022 at 1:11 PM

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Date: Thu, Nov 11, 2021 at 2:11 PM

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To: Erica Blyther <erica.blyther@lacity.org>

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- Were workers in any danger?
 Has this incident been reported to any regulatory agency?

Thank you for your help.

Kind regards. Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949



Edber Macedo <edber.macedo@lacitv.org>

To: Richard Parks <richard@redeemercp.org>

Cc: Erica Blyther <erica.blyther@lacity.org>, Brittney Lu <brittney@redeemercp.org>

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Best, Edber [Quoted text hidden]



Edber Macedo (he/him) City Planning Associate Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198 Planning4LA.org





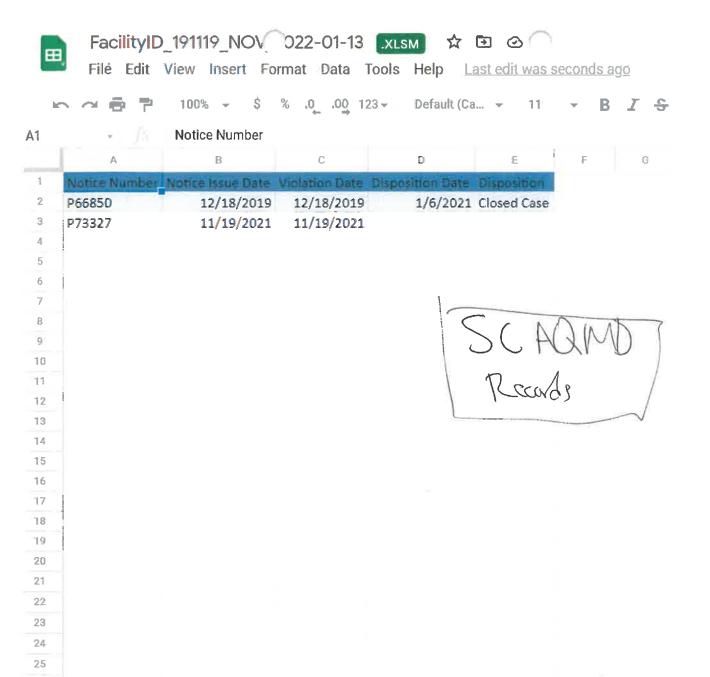




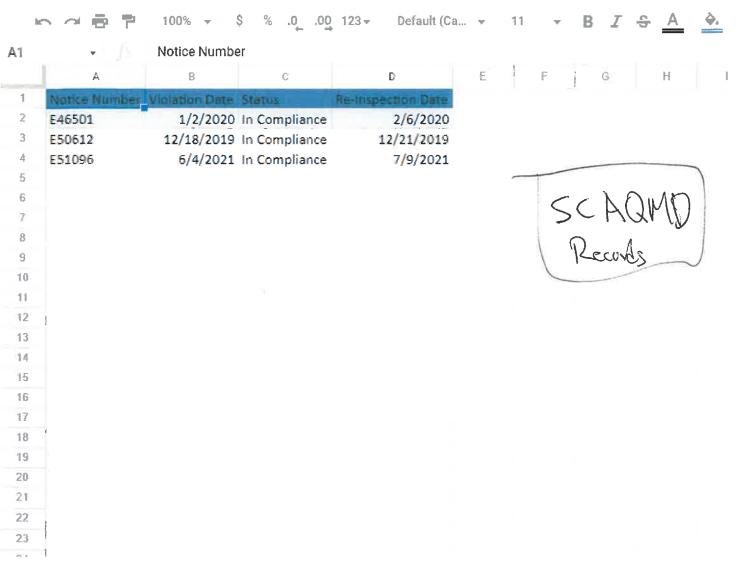
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Re: Murphy Oil Well

1 message

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Thu, Dec 23, 2021 at 11:00 PM

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Cc: "Godkin, Caroline@EPA" *Caroline.Godkin@calepa.ca.gov>, Jason.Boetzer@calepa.ca.gov, Erica Blyther <erica.blyther@lacity.org>, lisa.webber@lacity.org, estineh.mallian@lacity.org

Jennifer Tobkin <jennifer.tobkin@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

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Feel Free to contact me, Alvin Dong. 213.238.3515, should you have any questions.

Respectfully, Alvin Dong CUPA RMPPS Fire Prevention Bureau Los Angeles Fire Department 213,238,3515 c



President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemerco.org



2 attachments

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2021-10-29 - OZA PA6 Letter - Site Left Unattended.pdf 2292K



December 23, 2021

Mr. Alvin Dong CUPA RMPPS Fire Prevention Bureau Los Angeles Fire Department Los Angeles, CA 90012

Re: CalEPA Complaint COMP-52637

Murphy Drill Site, 2126 W. Adams Blvd.

Dear Mr. Dong,

Thank you for your request today for additional information regarding Redeemer Community Partnership's December 10, 2021, CalEPA complaint.

E&B Natural Resources has consistently failed to implement its Spill Prevention Control & Countermeasure (SPCC) Plan by leaving the Murphy Drill Site without 24-hour personnel coverage for extended periods.

Context

The drill site in our densely populated, urban neighborhood is immediately adjacent to medical facilities, high rise senior housing complexes, and multifamily apartments. It is located less than 1,000 feet from three schools serving 1,400 students.

On Sunday, May 16, 2021, residents first observed E&B leaving the drill site unattended. The night operator left the drill site at 10:18pm. Immediately, red lights began flashing. He returned to the drill site at 10:40pm and extinguished the flashing red lights. I called the Murphy Drill Site night operator at 10:41pm to ask what the flashing red lights indicated. The operator informed me that he had not seen the lights flashing because he had been in the well cellar. Later in the conversation he mentioned that the red lights had started flashing because he had forgotten to hit the gate by-pass, a tacit admission that he had left the drill site. He confirmed that the drill site was staffed by one person at night.

Failure to Implement the SPCC Plan

Residents have tracked the nighttime abandonment of the drill site ever since this initial incident. This reckless practice has persisted over time and across most of E&B's night staff. Some recent examples include:

- On November 25, 2021, the operator left the drill site twice for a total of <u>5 hours and 35</u> minutes (Photos 1 and 2).
- On November 28, 2021, the operator left the drill site twice for a total of <u>2 hours and 42</u> minutes to collect electric scooters for charging before redistributing them across the city.
- On November 29, 2021, the night operator left the drill site three times for a total of <u>2</u> hours and 53 minutes, again to collect, charge and redistribute scooters. (Photo 3)
- On December 21, 2021, E&B left the drill site unattended for <u>56 minutes</u> while the night operator left to redistribute electric scooters.

Enclosed you will find a table outlining some of these departures over the last seven months. This table updates one previously provided to the City of Los Angeles Office of the Zoning Administrator on October 29, 2021 (see attached). This letter also included a sample of photos documenting the array of E&B staff vehicles leaving and/or returning to the drill site after dark. The photos show that this practice is pervasive and, apparently, condoned by E&B's senior management despite their public and regulatory assertions to the contrary.

E&B's Senior Management Fail to Act

On October 6, 2021, Redeemer Community Partnership directly informed E&B's senior vice president for the Los Angeles division, Louis Zylstra, that the company was leaving the drill unattended at night. The exchange happened at the United Neighborhoods Neighborhood Council Planning and Zoning Committee's public meeting. Mr. Zylstra responded to the presentation of photos stating, "People don't leave the site. That site is covered 24 hours."

Notwithstanding Mr. Zylstra's public denials, residents had hoped these safety and security breaches would end following this public exchange. They have not.

Flashing Red Lights

You inquired as to whether there were sounds associated with the flashing red emergency lights. We have not encountered an audible warning.

You also inquired as to when red emergency lights have flashed. Residents have documented several instances of red lights flashing during periods when E&B has left the drill site unattended (Photo 4). Two recent examples include:

• On Wednesday, November 10, 2021 the night operator left the drill site at 9:45pm. Red emergency lights began to flash. The operator returned at 9:58pm following an absence of 13 minutes and immediately extinguished the red lights. This followed a serious

incident earlier in the evening that filled the lower drill site with clouds of steam and shot streams of possibly hot liquid 20-30' into the air while emergency red lights flashed across the drill site. Documentary evidence was provided to the City following this incident.

• On <u>Sunday</u>, <u>October 24, 2021</u>, the night operator left the drill site at 7:42pm. At 8:59pm the red emergency lights began flashing. At 9:13pm the night operator returned to the drill site following an absence of 91 minutes. His vehicle was filled with electric scooters. He entered the office at 9:14pm and the red emergency lights immediately stopped flashing.

Residents have extensively documented the incidents outlined in this letter. Please let me know if you have any questions or need additional information, which we will be happy to provide. Thank you for your careful consideration.

Kind regards,

Richard Parks

President

cc: Carolyn Godkin, CalEPA Deputy Secretary for Environmental Protection and Emergency Response, <u>Caroline.Godkin@calepa.ca.gov</u>

Jason Boetzer, CalEPA Assistant Secretary, Local Program Coordination and Emergency Management, Jason.Boetzer@CalEPA.ca.gov

Erica Blyther, Petroleum Administrator, erica.blyther@lacity.org

mal sonker

Lisa Webber, Deputy Planning Director, lisa.webber@lacity.org

Estineh Mailian, Chief Zoning Administrator, estineh.mailian@lacity.org

Jennifer Tobkin, Deputy City Attorney, jennifer.tobkin@lacity.org

Edber Macedo, City Planning Associate, edber.macedo@lacity.org

E&B Murphy Drill Site Night Staff Departures & Returns

Date*	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure	Notes
2021-12-22	Wednesday	Silver Truck	4:47 PM	6:34 PM	<u>6:53 PM</u>	19 min	5:12 AM	
2021-12-21	Tuesday	Silver Truck	<u>4:47 PM</u>	9:05 PM 1:09 AM	1:00 AM 2:05 AM	3 hr 55 min 56 min	<u>5:07 AM</u>	At 8:42PM, a second vehicle arrives for the night shift (dark sedan). At 9:05PM,
		Black Sedan	8:42 PM	1:09 AM				only the silver truck exits the site (black sedan stays). At 1:00AM, the silver truck returns with scooters, and at 1:08AM, two vehicles (silver truck and dark sedan) exit the site together. The silver truck is carrying scooters. Only the silver truck returns at 2:05am, leaving the site unattended for 56 min.
2021-12-20	Monday	Silver Truck	<u>4:45 PM</u>	6:26 PM 12:13 AM	8:23 PM 1:09 AM	117 min <u>56 min</u> 2 hrs 53 min	<u>5:10 AM</u>	Silver truck exits site at 6:26pm and returns to the site at 8:23pm with scooters. Silver truck exits site at 12:13am with scooters and returns to the site at 1:09am without them.
2021-12-19	Sunday	Green SUV	4:37 PM	7:21 PM	8:03 PM	42 min	5:00 AM	
2021-12-18	Saturday	Green SUV	4:35 PM	10:00 PM	10:30 PM	30 min	5:07 AM	
2021-12-17	Friday	Green SUV	4:53 PM	9:26 PM	10:01 PM	35 min	5:16 AM	
2021-12-16	Thursday	Green SUV	4:36 PM	8:40 PM	9:01 PM	21 min	5:06 AM	
2021-12-15	Wednesday	Green SUV	<u>4:41 PM</u>	5:45 PM 6:59 PM	6:09 PM 8:05 PM	24 min <u>66 min</u> 1 hr 30 min	5:23 AM	
2021-12-13	Monday	Silver SUV	4:21 PM	7:22 PM	7:49 PM	27 min	5:07 AM	
2021-12-03	Friday	Green Truck	4:40 PM	9:04 PM	9:19 PM	15 min	5:07 AM	
2021-12-02	Thursday	Silver Truck	<u>4:47 PM</u>	7:08 PM 9:45 PM 9:49 PM	7:25 PM 9:48 PM 10:34 PM	17 min 3 min <u>45 min</u> 1 hr 5 min		
2021-12-01	Wednesday	Silver Truck	<u>4:34 PM</u>	7:49 PM 9:17 PM 2:44 AM	8:12 PM 10:32 PM 3:14 AM	23 min 75 min <u>30 min</u> 2 hrs 8 min		
2021-11-30	Tuesday	Silver Truck	4:41 PM	9:31 PM	9:53 PM	22 min	4:57 AM	
2021-11-29	Monday	Silver Truck	<u>4:41 PM</u>	7:30 PM 10:24 PM 3:10 AM	8:08 PM 12:13 AM 3:36 AM	38 min 109 min <u>26 min</u> 2 hr 53 min		

E&B Murphy Drill Site Night Staff Departures & Returns

Date*	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site	Shift Departure Notes
2021-11-28	Sunday	Silver Truck	4:34 PM	6:58 PM 1:54 AM	9:05 PM 2:29 AM	127 min <u>35 min</u> 2 hrs 42 min	5:06 AM
2021-11-26	Friday	Silver Truck	4:43 PM	6:47 PM	7:02 PM	15 min	5:21 AM
2021-11-25	Thursday	Dark Sedan	4:35 PM	6:58 PM 9:06 PM	8:42 PM 12:57 AM	104 min <u>231 min</u> 5 hrs 35 min	<u>5:07 AM</u>
2021-11-24	Wednesday	Silver Truck	4:41 PM	9:15 PM	9:52 PM	37 min	5:13 AM
2021-11-23	Tuesday	Silver Truck	3:58 PM	8:09 PM	8:27 PM	18 min	5:13 AM
2021-11-22	Monday	Silver Truck	4:55 PM	8:01 PM	8:28 PM	27 min	3:07 AM
2021-11-21	Sunday	Small Silver SU	4:41 PM	5:47 PM	5:54 PM	7 min	4:49 AM
2021-11-06	Saturday	Silver Sedan	4:29 PM	<u>8:13 PM</u>	8:27 PM	14 min	4:57 AM
2021-11-04	Thursday	Silver Sedan	4:20 PM	8:50 PM	<u>9:11 PM</u>	21 min	<u>5:21 AM</u>
2021-11-03	Wednesday	Silver Sedan	4:28 PM	9:50 PM	9:59 PM	9 min	5:00 AM
2021-11-01	Monday	Silver Sedan	4:14 PM	9:00 PM	9:13 PM	13 min	
2021-10-31	Sunday	Silver Truck	4:44 PM	6:52 PM 1:10 AM	8:54 PM 1:41 AM	122 min <u>31 min</u> 2 hr 33 min	<u>5:16 AM</u>
2021-10-28	Thursday	Silver Truck	4:50 PM	8:10 PM	8:24 PM	14 min	5:12 AM
2021-10-24	Sunday	Silver Truck	4:38 PM	7:42 PM 10:45 PM 1:31 AM	9:13 PM 11:04 PM 2:25 AM	91 min 19 min <u>54 min</u> 2 hr 44 min	5:02 AM
2021-10-23	Saturday	Silver SUV	4:44 PM	9:02 PM	9:17 PM	15 min	5:06 AM
2021-10-22	Friday	Silver SUV	4:50 PM	6:33 PM	7:00 PM	27 min	5:12 AM
2021-10-21	Thursday	Silver SUV	5:04 PM	8:44 PM	9:23 PM	39 min	4:49 AM
2021-10-19	Tuesday	Silver SUV	4:53 PM	6:53 PM 9:24 PM	7:20 PM 9:41 PM	27 min <u>17 min</u> Total: 44 min	
2021-10-18	Monday	Silver SUV	4:39 PM	6:53 PM	7:08 PM	15 min	
2021-10-08	Friday	Silver Sedan	4:46 PM	6:36 PM	6:53 PM	17 min	
2021-10-07	Thursday	Silver Sedan	4:26 PM	6:34 PM 6:47 PM	6:46 PM 6:59 PM	12 min <u>12 min</u> Total: 24 min	

On Wednesday, October 6, 2021 Redeemer Community Partnership presented photos of the nightwatch staff leaving the Murphy Drill Site unattended at the United Neighborhoods Neighborhood Council's Planning and Zoning meeting. E&B Natural Resources' Senior Vice President for the LA Basin, Louis Zylstra, was present.

E&B Murphy Drill Site Night Staff Departures & Returns

Date*	Day	Vehicle	Shift Arrival	Exit Time	Return Time	Time Off-site Shift Departure Notes
2021-10-03	Sunday	Silver Truck		7:52 PM 10:13 PM 2:36 AM	9:05 PM 11:31 PM 3:11 AM	73 min 5:18 AM 78 min 35 min Total: 186 min
2021-10-02	Saturday	Silver Truck		8:36 PM 12:45 AM	10:00 PM 1:35 AM	84 min <u>50 min</u> Total: 134 min
2021-09-28	Tuesday	Silver Truck	4:30 PM	6:02 PM	6:20 PM	18 min 5:08 AM
2021-09-27	Monday	Silver Truck	4:42 PM	9:14 PM 1:27 AM	10:26 PM 1:45 AM	72 min 5:10 AM 18 min Total: 90 min
2021-09-25	Saturday	Silver Truck	4:50: PM	9:06 PM	9:40 PM	34 min 4:38 AM
2021-08-10	Tuesday	Silver Sedan	4:30 PM	8:12 PM	8:39 PM	27 min 5:03 AM
2021-08-09	Monday	Silver Sedan	4:34 PM	9:22 PM	9:41 PM	19 min 5:35 AM
2021-07-18	Sunday	Silver Sedan	4:26 PM	8:26 PM	8:44 PM	18 min 5:05 AM
2021-07-15	Thursday	Silver Sedan	4:42 PM	8:50 PM	9:21 PM	31 min
2021-07-14	Wednesday	Silver Sedan	3:57 PM	9:40 PM	9:55 PM	15 min 5:35 AM
2021-07-06	Tuesday	Silver Truck	4:44 PM	9:19 PM	9:38 PM	19 min 5:15 AM
2021-07-03	Saturday	Green SUV	4:38 PM	6:53 PM 10:16 PM	7:23 PM 10:34 PM	30 min 4:55 AM 18 min Total: 48 min
2021-07-02	Friday	Green SUV	4:45 PM	5:50 PM 9:13 PM	6:22 PM 9:39 PM	32 min 4:47 AM 26 min Total: 58 min
2021-06-30	Wednesday	Silver Truck	4:47 PM	7:13 PM	7:29 PM	16 min 5:04 AM
2021-06-29	Tuesday	Silver Truck	4:43 PM	7:25 PM	7:44 PM	19 min 5:03 AM
2021-06-18	Friday	Green Truck		5:09 PM	5:19 PM	10 min
2021-06-13	Sunday	Silver Truck	4:32 PM	9:03 PM	9:21 PM	18 min
2021-06-12	Saturday	Silver Truck	4:46 PM	7:01 PM	7:19 PM	18 min
2021-06-09	Wednesday	Green SUV	4:51 PM	8:55PM 9:11PM	9:10PM 9:27PM	15 min <u>16 min</u> Total: 31 min

^{*}Date indicates the beginning of a 12-hour shift running from 5pm to 5am of the following morning.

Photos

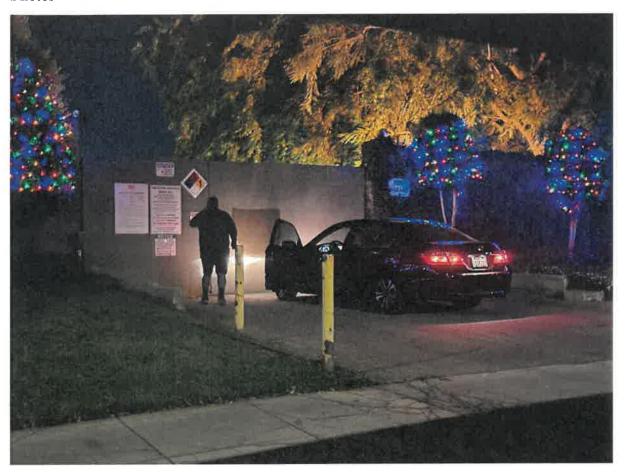


Photo 1: On November 26, 2021, at 12:57am the E&B Natural Resources operator returned to the drill site. He exits his car to open the front gate.

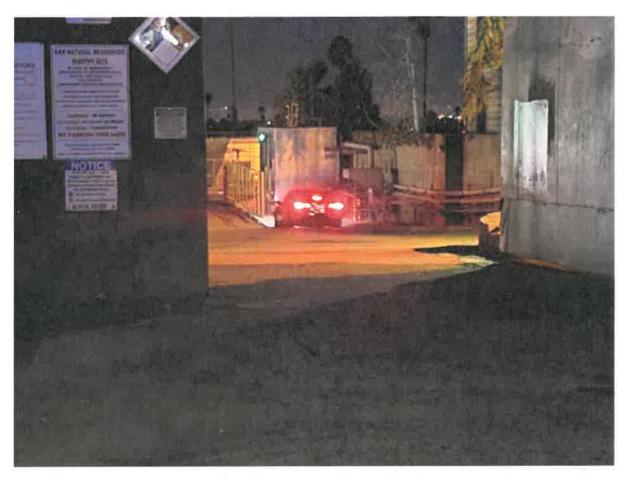


Photo 2: On November 26, 2021, at 12:57am the E&B Natural Resources operator opened the gate and drove onto the drill site. He left the drill site unattended for more than 5.5 hours over the course of a 12-hour shift that began at 5pm on November 25, 2021.



Photo 3: On November 30, 2021, at 12:13am the E&B Natural Resources operator returned to the drill site with a load of electric scooters. He left the drill site unattended for more than 2 hours and 53 minutes over the course of a 12-hour shift that began at 5pm on November 29, 2021.



Photo 4: The flash of a red, rotating emergency light can be seen through the drill site's open gate on September 27, 2021, at 10:26pm following the night operator return and entry into the drill site with a load of electric scooters following an absence of 72 minutes.



Edber Macedo <edber.macedo@lacity.org>

Murphy Drill Site | Nuisance Abatement Petition Update

2 messages

Richard Parks < richard@redeemercp.org>

Fri, May 7, 2021 at 4:51 PM

To: Karly Katona <karly.katona@lacity.org>, Fernando Ramirez <fernando.ramirez@lacity.org>

Cc: Angela Johnson Meszaros <ameszaros@earthjustice.org>, louis chase <tesfaye81@yahoo.com>, Brittney Lu <brittnev@redeemercp.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Kayla Tilton <kayla.tilton@lacity.org>, Edber Macedo <edber.macedo@lacity.org>



🗎 2021-04-30 - Bertoni Murphy Nuisance Abatement.pdf

Dear Ms. Katona and Mr. Ramirez,

I hope you are well. Recently, we met with members of your staff to provide a broad overview of public nuisances and other regulatory violations at the Murphy Drill Site. Several important developments have unfolded in the intervening weeks. Therefore, we have sent a letter to the Planning Department to provide:

- 1. an update on recent nuisance activities and violations,
- 2. new analysis of acid maintenance at the Murphy Drill Site over the last two years, and
- 3. a new USC-led health study involving nearly 1,000 residents living near the Murphy and AllenCo Drill Sites.

We share this update to further inform Councilmember Ridley-Thomas' support for our petition for a nuisance abatement/revocation hearing. Rev. Martin Luther King Jr. noted that justice delayed is justice denied. We invite Councilman Ridley-Thomas to join with us in finally securing justice for our community and freedom from toxic oil extraction.

Kind regards, Richard Parks

ZA 1959 15227

----- Forwarded message ---

From: Richard Parks < richard@redeemercp.org>

Date: Wed, May 5, 2021 at 6:04 PM

Subject: Murphy Drill Site | Nuisance Abatement Petition

To: <vince.bertoni@lacity.org>

Cc: sa.webber@lacity.org>, <estineh.mailian@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Edber Macedo

<edber.macedo@lacity.org>, Brittney Lu <brittney@redeemercp.org>, Angela Johnson Meszaros

<ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Kartik Raj <kraj@earthjustice.org>



2021-04-30 - Bertoni Murphy Nuisance Abatement.pdf

Dear Mr. Bertoni.

I hope you are well. Recently, we met with members of your staff to provide a broad overview of public nuisances and other regulatory violations at the Murphy Drill Site. Several important developments have unfolded in the intervening weeks. Therefore, we write to share:

- 1. an update on recent nuisance activities and violations,
- 2. new analysis of acid maintenance at the Murphy Drill Site over the last two years, and
- 3. a new USC-led health study involving nearly 1,000 residents living near the Murphy and AllenCo Drill Sites.

We share this update to further inform your consideration of our petition for a nuisance abatement/revocation hearing. Please let me know if you need additional information.

Kind regards. Richard Parks

President

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949



Fernando Ramirez <fernando.ramirez@lacity.org>

Mon, May 10, 2021 at 10:05 AM

To: Richard Parks < richard@redeemercp.org>

Cc: Karly Katona karly.katona@lacity.org, Angela Johnson Meszaros ameszaros@earthjustice.org, louis chase <tesfaye81@yahoo.com>, Brittney Lu <brittney@redeemercp.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Kayla Tilton <kayla.tilton@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Richard- Hope all is well with you.

Thank you for the update and thank you for copying the CD10 staff that you met with.

-Fernando [Quoted text hidden]



April 30, 2021

Mr. Vince Bertoni, Planning Director Department of City Planning City of Los Angeles 200 N Spring St., 5th Floor Los Angeles, CA 90012

ZA 1959 15227

Dear Mr. Bertoni,

Ever since ZA 15227(O)(PA3) in 2006, Zoning Administrators have reserved broad authority to conduct a public hearing for nuisance abatement and revocation at the Murphy Drill Site located at 2126 W. Adams Blvd. Condition 14 reads,

"At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes."

Recently, we met with members of your staff and Council District 10 to provide a broad overview of public nuisances and other regulatory violations at the Murphy Drill Site. Several important developments have unfolded in the intervening weeks. Therefore, we write to share:

- (1) an update on recent nuisance activities and violations,
- (2) new analysis of acid maintenance at the Murphy Drill Site over the last two years, and
- (3) a new USC-led health study involving nearly 1,000 residents living near the Murphy and AllenCo Drill Sites.

We share this update to inform your consideration of a nuisance abatement/revocation hearing.

VIOLATIONS AND NUISANCE ACTIVITIES

In this section we begin by describing E&B's installation of a new gas meter so that it can <u>buy</u> gas to burn in its turbines to power the drill site. We will outline a series of violations and public nuisances that accompanied this action. Next, we outline additional permit violations and public nuisances that have emerged over the last several weeks including traffic, noise, issues of good repair, odors, and poor oilfield practice among others. Finally, we conclude with an update on new regulatory action taken at the facility in response to violations documented by residents.

New Gas Meter Set Assembly

Recently, E&B contracted with SoCalGas to install a new gas meter set assembly (MSA). The MSA was installed over a large concrete pad on the south side of the lease just outside the enclosed area. The location is directly west from where a previous operator proposed installing a CEB flare. (Figure 1).

Conversations with SoCalGas representatives, a Department of Building and Safety (DBS) inspector who inspected the work, and an E&B representative, provided a clear view into the purpose of the work and the operator's intentions.

The DBS inspector reported that with production of oil and gas coming to an end this year at the Jefferson Drill Site, E&B was concerned it would not have sufficient gas to burn in its turbines to power the drill site. Therefore, it employed SoCalGas to install a new meter so it can <u>buy</u> gas to generate electricity.

Ted Cordova from E&B confirmed that SoCalGas was installing the meter, "So that they can sell gas...to put lower demand on LADWP." When asked directly if E&B was going to buy gas from SoCalGas to burn and generate electricity, he replied, "We are not going to waste it". He then said that all the work taking place was "pre-engineering analysis".

The framers of LAMC 13.01 F expressly prohibited the generation of electricity on drill sites or in drilling districts for the purpose of powering these facilities. This action reduced a drill site's air pollution and the associated health harms to residents. Conditions 26 and 43 read as follows:

- 26. "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."
- 43. "That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district."

In 15227(PA2) the operator noted the City's concern that burning waste gas would violate Condition 43. However, in a familiar pattern weak protections, as compared with drill sites in West LA, were further weakened in successive determinations.

Nevertheless, E&B's plan to buy and burn gas in the neighborhood to generate electricity contravenes the code. It is clearly inconsistent with LAMC 13.01 Subsection F Condition 18 which prohibits harm or injury from operations when better methods are available. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

E&B's plan to buy and burn gas to power its operations is illegal and injurious to the public's health, safety and welfare. Clearly, cleaner methods of powering its facility--such as an LADWP connection--are readily available. Its choice to buy and burn gas reflects a callous disregard for the health and safety of its neighbors. Furthermore, E&B's low estimation of its neighbors and the Code was further demonstrated by the manner that it undertook the work.

Beginning the week of March 15 and continuing for more than three weeks, a daily stream of trucks entered and exited the drill site from 27th Street and parked on the backlot and along 27th Street. (Figures 2 and 3)

PA(3) Additional Condition 5 requires vehicles to access the drill site from Adams Blvd. and requires workers to park either in the enclosed area or in the parking lot immediately East of the enclosed area. Condition 5 reads:

"That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the

existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drillsite outside of the enclosed area which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees..."

These parking lots provide access to the south side of the lease by a gate. The Zoning Administrator confirmed this in his PA6 determination.

"This southerly area is landscaped and can be accessed from the drilling and production area enclosed by the block wall via an existing gate".

Nevertheless, E&B made the unenclosed southern portion of their lease accessible for parking and for trucks to ingress and egress into the drill site from 27th Street in clear violation of their operating conditions. The daily traffic was significant. A team of welders and pipefitters set up tents in the parkland where they cut, ground, and welded pipes and other pieces of equipment to create the gas MSA. Representatives of SoCalGas were back and forth to the site daily (Figure 4). Surveyors were also present at intervals (Figure 5).

The December 26, 2007 Review of Plans for ZA 15227(O)(PA4) condition "g" provides that,

"All employee parking, including contractor personnel, shall be...strictly prohibited on Adams Boulevard or any residential street."

Nevertheless, workers also set up a fake no parking zone on 27th Street created with do-it-yourself Tow-Away signs and traffic cones much to the ire of residents (Figures 6 and 7). A representative from the LADOT Special Traffic Control Division confirmed that this was a fake no parking zone and sent an officer to remove the signs. Even after the Tow-Away signs were removed, workers continued to put out cones and to park along 27th Street. They made a point to leave the cones in the street each night denying residents access to scarce street parking.

The Zoning Administrator's Condition 16 (from ZA Additional Conditions) requires all tools, pipe and other equipment to be kept within the enclosed portion of the drill site. It reads,

"That all tools, pipe and other equipment in connection with the drilling and production activities shall be stored and kept on the drilling site within the walled and landscaped enclosure."

Nevertheless, materials, pipe and other equipment were left outside of the enclosed portion of the drill site overnight and over the weekends (Figures 9, 10).

LAMC 13.01-F Condition No. 49 limits work between the hours of 8:00am and 6:00pm. Condition 49 reads,

"That no materials, equipment, tools or pipe used for either drilling or production operations shall be delivered to or removed from the controlled drilling site except between the hours of 8:00 o' clock a.m. and 6:00 o clock p.m., on any day, except in case of emergency incident to unforeseen drilling or production operations, and then only when permission in writing has been previously obtained from the Administrator."

Nevertheless, for three weeks work trucks typically entered the drill site from 27th Street between 6:30 a.m. and 7:00 a.m. (Figure 11).

Hours of Operation

Since our meeting with your staff and CD10 there have been more than three dozen violations of operating hours. Most of these occurred on the 27th Street side of the drill site as previously mentioned. However, there have been other notable instances.

On Friday, March 26 the workover rig, a fork lift and other assorted trucks worked well past dark and did not leave the drill site until after 9:00 p.m. Residents watched as a full moon rose above a worker high above the drill site on the workover rig's racking platform (**Figure 11**). On the ground, the workover rig's diesel engine revved and the pulsing alarms of vehicles backing up pierced the evening. (**Figure 12**)

It was not just the noise that was so disturbing to residents. It was seeing a worker standing on a perch high above the drill site working in the dark. E&B was once again violating its operating conditions, robbing residents of the peaceful enjoyment of their homes, jeopardizing the safety of workers, and raising residents' concerns for the safety of men working in dangerous conditions.

On Saturday, April 10 at 6:45 a.m. a large truck with a mounted crane and large flatbed arrived on site carrying a tank. (**Figure 13**) The truck parked on the northeast side of the drill site in front of a sign reading, "NOTICE WORKING HOURS CONSTRUCTION AND TRUCKING WILL BE BETWEEN 8AM - 6PM" (**Figure 14**)

The Code provides that only in emergencies when "permission in writing has been previously obtained from the Administrator" may a drill site operator deviate from the prescribed hours.

Graffiti

PA2 Condition 4 provided that graffiti would be removed within 24 hours,

"All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence."

Likewise, PA3 Condition 10 provided for daily inspections of the drill site's perimeter. It reads, "The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily."

If E&B was following these conditions, they would have removed gang graffiti from the Rolling 20's Neighborhood Bloods on the east fence a year ago (Figure 15). Still it persists.

Landscaping

LAMC 13.01-F Condition 22 provides that landscaping shall screen operations from view and be kept in good condition. It reads,

Upon the completion of the drilling of a well the premises shall be placed in a clean condition and shall be landscaped with planting of shrubbery so as to screen from public view as far as possible, the tanks and other permanent equipment, such landscaping and shrubbery to be kept in good condition.

The weeded lot with scattered litter on the east side of the drill site violates Condition 22. (**Figure 16**)

Good Repair

The Zoning Administrator for ZA-15227 required that acoustical quilts will be well-maintained. Condition 6 reads,

... "If an acoustical quilt type covering is utilized to soundproof the derrick and buildings, said quilt covering shall be stretched tight, hung and maintained in such manner that it will have a tight attractive nonsagging appearance."

Acoustical quilts on top of the gas processing infrastructure in the southwest corner of the drill site and immediately adjacent to the AIDS Healthcare Foundation, are severely dilapidated. They are not "hung and maintained in such manner that it will have a tight and attractive nonsagging appearance" (Figure 17)

Neighborhood Traffic

Previously, we reported the extensive drill site traffic on 27th Street. However, on March 15, residents documented the operator loading a large pipe on the drill site (**Figure 18**) then pulling the trailer through the neighborhood north of Murphy in front of the 24th Street Elementary School and the Widney High School. (**Figure 19**)

The case file makes clear that the City intended to exclude drill site traffic from the surrounding neighborhood. This has not been E&B's practice.

Noise

As noted earlier, LAMC 13.01-F 18 prohibits any noise from the drill site that the operator can eliminate or diminish by the use of greater care. Nevertheless, noise from the drill site remains a constant and longstanding nuisance, interrupted by periods of intolerable noise.

On April 21, E&B conducted well maintenance on the west side of the drill site near the AIDS Healthcare Foundation. For approximately three hours the operator attempted to pound a metal pipe into a well using the workover rig's heavy travelling block. This sent a deafening clang across the community at approximately 15 second intervals. Outside the drill site, these pulses of noise registered at 94+ decibels, equivalent to the intensity of a shouted conversation or a motorcycle running. (Figure 20) This was just one example of nuisance noise from the last couple weeks.

Continuous noise from the site has long robbed residents of the peaceful enjoyment of their community. The 2006 Behrens and Associates Inc. Noise Study presented by the operator in ZA 15227(PA3) found,

"The existing equipment at the site including pumps and compressors generate an elevated, relatively steady background sound level at the site's property line."

The report found the noise level to range "from a high of 73 dBA to a low of 67 dBA with the nighttime average hour level ranging from a low of 63 dBA to a high of 64 dBA." The City of Los Angeles' municipal noise code provides for a maximum noise level for residential zones of 50 dB between 7:00 AM and 10:00 PM and 40 dB between 10:00 PM and 7:00 AM.

Research finds that residents living near a natural gas compressor station are likely to be exposed to "high environmental noise exposures" (Boyle et.al, 2017), with disproportionately higher noise levels for "nonwhite and lower-socioeconomic status (SES) residents" who are more likely to reside by these toxic sites (Casey et.al, 2017). Health risks associated with consistent and higher noise levels include "annoyance, sleep disturbance, and cardiovascular disease" (Hays et al., 2017).

Murphy is situated in the heart of a high-density urban area surrounded by homes, health facilities, and schools, with residents, patients, and students who, over the course of time, are exposed to elevated noise associated with oil extraction. When taking a life course perspective, the constant accumulation of noise at both high and low levels can reasonably be expected to

lead to adverse health outcomes. Therefore, it is urgent that the City address this long-standing nuisance.

Odor Complaints

In the course of following up with South Coast Air Quality Management District (SCAQMD) on a degassing operation that resulted in visible clouds of noxious fumes rolling across and off the drill site (Figures 21, 22), we learned that the SCAQMD had received eight odor complaints at the Murphy Drill Site between March 22 and 26. Five were received on March 24. An SCAQMD inspector went to the drill site on Friday, March 26 and confirmed that there was an odor that smelled like tar coming from the workover rig which aligned with odor complaints received by the Air Quality Management District.

LAMC 13.01 Subsection F Condition 18 requires that operations shall be conducted so that no odor shall be allowed to injure or annoy residents. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...Proven technological improvements in methods of production shall be adopted as they from time to time become available if capable of reducing factors of nuisance or annoyance."

On March 17, noxious fumes pervaded the surrounding neighborhood. When residents went to investigate they documented a worker with no face shield or safety goggles being drenched head-down with oil (Figure 23). Immediately, a second worker with no gloves plunged his hands into the oil to stop the outflow (Figures 24, 25). Workers were left to deal with these urgencies without proper PPE while residents were hit with petroleum fumes.

On April 15 noxious odors again permeated the community. When residents went to investigate, they documented workers with inadequate PPE, this time with exposed arms, as they were drenched with oil (**Figure 26**). This incident occurred as workers wrapped a pipe pulled up from the well in a plastic garbage bag to suppress an oil burst. It strains credulity to think that this was a "proven technological improvement in methods and production" envisioned by 13.01-F18.

We thought the dangerous odor event on March 17 was an aberration. We now realize it is routine; a pattern that while easily remedied persists for the convenience and profit of E&B at the expense of its neighbors and workers.

Additional Condition 10 of ZA 15227 mandates good oilfield practice. It states,

"The drilling of the wells shall be conducted in accordance with good oil field practice and the latest techniques and refinements in equipment and materials shall be used."

As the events described above demonstrate, E&B's methods and outcomes do not accord with good oilfield practice.

Good Oilfield Practice

E&B has posted signs on its gates stating, "DANGER - NO SMOKING" (Figure 27). However, on March 15 and 25 we documented workers smoking on the drill site (Figure 28, 29).

It will not be lost on you that this is an oil and gas drill site embedded in a densely populated urban neighborhood. E&B's reckless disregard for the safety of residents and workers is staggering. Clearly, this practice does not fulfill the Zoning Administrator's mandate of "good oilfield practice".

New Regulatory Action

CalOSHA

E&B's gates carry signs warning, "CAUTION - H2S GAS MAY BE PRESENT" (Figure 27). Indeed, the Las Cienegas oil field is known to have a high hydrogen sulfide (H2S) content.

The California Occupational Safety and Health Administration (CalOSHA) notes that H2S is extremely flammable and highly toxic. H2S is responsible for many incidents of occupational toxic exposure in the petroleum industry. It has been called the "knock down gas" because inhalation of high concentrations can cause immediate loss of consciousness and death.

Windsocks help workers and first responders find safe zones when fleeing an airborne hazard like H2S. They save lives by providing an immediate indication of wind direction and intensity.

Therefore, it is highly concerning that a windsock has been missing from the central pole at the Murphy Drill Site, since at least November 19, 2020 (Figures 30, 31). A worn windsock was last seen flying on August 18, 2020 (Figure 32).

LAMC 13.01-F 18 provides that,

"...nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe..."

E&B's neglect of the most fundamental and critical safety features does not meet the Code's requirement of safety. Likewise, it reveals a reckless disregard for its workers, first responders and neighbors who could face severe harms in the face of a catastrophic accident.

CalOSHA has opened an investigation to explore this and other concerning practices that appear injurious to workers and by extension residents.

California Highway Patrol

On March 18, residents became alarmed when a large, dirty truck equipped to handle radioactive materials arrived on the drill site and put out a warning sign approximately 50 feet from the AIDS Healthcare Foundation stating, "STOP. DO NOT PROCEED WITHOUT PROPER AUTHORIZATION AND ESCORT...R/A MATERIAL IN USE". (Figures 33 and 34).

Officers with the CHP Motor Carrier Unit confirmed that the vehicle's CA Number, 152861, was "Inactive" indicating that the owner had informed the CHP that the vehicle was not in operation. Officers also confirmed that the vehicle did not have a USDOT Number associated with its CA Number as required by law. (Figure 35) The vehicle also lacked an active DMV Motor Carrier Permit. These three permits are required to operate the vehicle on California roadways.

The California Department of Public Health Radiologic Health Branch confirmed that the truck was used to log wells via a specialized sprayer that was loaded with a radioactive tracer (liquid Iodine-131) which was placed directly into the top of the well bore (Figure 36). E&B's spokesman, Ted Cordova, confirmed that the truck was on site to conduct a mechanical integrity well test.

The California Highway Patrol (CHP) opened an investigation on March 18 that will take up to 60-days to complete. Following the initial complaint, residents saw the vehicle return to the drill site twice over the following week.

The breadth of E&B's noncompliance with the Code over the last several weeks, much like its noncompliance over the last couple years, shows it is either unwilling or unable to operate the drill site safely. Maya Angelou has said, "When someone shows you who they are, believe them."

ACID MAINTENANCE

Previously, we described several well maintenance acid operations at the Murphy Drill Site that have taken place on E&B's watch. Recently, we obtained the Murphy Drill Site's CalGEM chemical disclosures for acid maintenance for 2019 and 2020, a time period that substantially overlaps with E&B's tenure as leaseholder.

The documents reveal seven acid operations for well maintenance in 2019 and 2020 emplacing 29,096 gallons of hazardous chemicals into wells. Organizing the chemicals used by their primary health impact reveals the following hazard profile:

- 25,130 gallons of highly corrosive acids which are Prop 65 air toxins, asthma triggers, and endocrine disruptors (EDC), and dangerously caustic.
- 1,774 gallons of Endocrine Disrupting chemicals that create reproductive harm and birth defects.
- 2,192 gallons of other chemicals including respiratory triggers (e.g. asthma), carcinogens among others.

The vast majority of these chemicals have multiple health harms.

LAMC 13.01-H Drilling Site Requirements requires a determination of conditions for any operator desiring to maintain an oil well. It reads,

"Any person desiring to drill, deepen or maintain an oil well in an oil drilling district...shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted."

E&B's unpermitted acid well maintenance provides the City with unimpeachable grounds for opening a nuisance abatement process. If the City refuses to act, it will ensure that these hazardous events continue to the detriment of residents' health and safety. The stakes for children and their families are far too high for the City in good conscience to allow this slow violence to continue.

NEW RESEARCH

Since we met in mid-March, a new research study¹ examining nearly 1,000 residents living within 1,000 meters of the Murphy and AllenCo Drill Sites, quantified oil extraction's substantial and persistent harm to lung capacity and health. Dr. Jill Johnston of the USC Keck School of Medicine's Department of Preventative Health led the research team based at USC and Occidental College. The Academic Times reporting on Dr. Johnston's research noted,

¹ Johnston, Jill; et.al (2021). Respiratory health, pulmonary function and local engagement in urban communities near oil development. *Elsevier Environmental Research*, Vol 197. https://doi.org/10.1016/j.envres.2021.111088

"She and her colleagues found that people living near the active [Murphy] drill site were two to three times more likely to report symptoms that included wheezing, sore throat, chest tightness, dizziness and eye or nose irritation than people living near the idle [AllenCo] site. People living downwind or within 200 meters of either site generally had lower lung function than those who lived farther away.

"We saw this pattern in both neighborhoods, which suggests that some of these impacts of oil and drilling operations can lead to chronic effects," Johnston said. The magnitude of the reduction in lung function, she says, was on par with what researchers have reported in people who are regularly exposed to secondhand smoke or live near freeways." (Figure 37)

The substantial health harm found clearly indicates that current conditions and regulations are insufficient to protect residents from injury. This is a clear violation of Condition 18 of Subsection F which requires that all production equipment shall be operated to protect residents from injury. It reads,

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; ...

CONCLUSION

When we met with your staff and Council District 10, we outlined in the broadest strokes a pattern of regulatory violations at the Murphy Drill Site. This included:

- 29 Notices of Violation (NOVs) from the California Geologic Energy Management Division (CalGEM) since 2020.
- 3 NOVs plus 3 Notices to Comply (NCs) from SCAQMD since E&B took over operations.
- 21 leaks reported to SCAQMD by third party inspectors fulfilling Rule 1173 reporting requirements since E&B took over operations. 4 of those leaks were greater than 25,000 ppm. Prior to E&B taking over the site, from the first quarter of 2017 to the third quarter of 2019 there were an additional 64 leaks reported, 10 of which were greater than 25,000 ppm.
- 1 NOV and 1 NC from the Los Angeles Fire Department (LAFD) since E&B took over and 18 additional violations since 2016.
- 3 Class II Violations and 11 NCs from LAFD to SoCalGas at Murphy since 2016.

There are many additional, disturbing details from E&B's regulatory entanglements that we have yet to address but which raise serious concerns. For example, on December 10, 2019 E&B denied an SCAQMD inspector entry to the drill site forcing the inspector to wait and then return the next day. There are numerous height exceedances that violate Condition 3, sound proofing omissions and deficiencies, documented instances of venting to the atmosphere, etc.

Rather than detail these concerns here, this letter is intended as an update on what has transpired over the last several weeks. It clearly demonstrates that E&B is out of compliance with the Code, its operating conditions, and good oilfield practice.

We hope you agree that the fact that E&B cures its violations or emails apologies to the OZA once they are caught is entirely unremarkable. What is remarkable is how often they are caught given how limited the oversight is.

Residents cannot continuously monitor this site from the outside and the City cannot monitor it continuously from the inside. Therefore, it is profoundly concerning that so much continues to come to light even over a short period.

There appears to be a severe mismatch between E&B's competency and/or will to comply with regulatory requirements, and the enormous risks failure poses for residents', workers' and first responders' safety and health.

As you consider E&B's operations, we trust that you will hold the historic context of this site in mind. This is not a community that grew up around the drill site. Rather, this community was built at the turn of the last century and zoned residential when the City allowed a toxic, industrial land use into a wealthy, African American neighborhood.

In 2019, the Planning Department took decisive action at the Jefferson Drill Site to at least impose conditions in South LA that were as stringent as those extended to wealthier, whiter, West LA neighborhoods decades earlier. Though these conditions are inadequate to protect residents' health and safety, the Planning Department has yet to extend even these basic conditions to the Murphy Drill Site.

Finally, it is important to recognize that the scale, scope and complexity of E&B's operations at the Murphy Drill Site are substantially larger than the Jefferson Drill Site. Between 2010 and 2019 the Murphy Drill Site produced 150% more oil than the Jefferson Drill Site. All oil and gas produced at the Jefferson Drill Site is transferred to the Murphy Drill Site for processing, sale or burning. Therefore the equipment, chemicals, and processing involved are far more extensive. For example, SoCalGas maintains an odorizing facility at the Murphy Drill Site and stores mercaptan there. This is the same type of equipment that leaked in 2017 at the Rancho Park Drill

Site blanketing West LA with a stench that was smelled all the way to Venice and the Santa Monica Mountains.

As compared to the Jefferson Drill Site, the scope and scale of the Murphy Drill Site violations are substantially more dangerous given the intense density and vulnerability of the surrounding land uses. The density alone is an order of magnitude larger than the community surrounding the Jefferson Drill Site. A high-rise senior center, a multi-story retirement community, multi-family apartments, a convalescent hospital, an elementary school and a special needs high school, and the AIDS Healthcare Foundation's medical center are just some of the vulnerable populations in close proximity to the Murphy Drill Site that cannot be evacuated quickly in the event of an emergency.

As noted in the beginning, Condition 14 grants the Zoning Administrator substantial authority "...to modify, add, or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes."

Residents have worked diligently to provide your office with ample evidence of persistent violations and public nuisances.

Therefore, we ask the Planning Department to exercise its substantial authority to open a nuisance abatement hearing. It is urgently necessary to cure these injurious operations and public nuisances that have for far too long robbed residents of their health, safety and the peaceful enjoyment of their homes. It is time to end this slow violence and bend the arc of history toward justice.

Kind regards,

Richard Parks

President

cc: Lisa Webber, Deputy Director, lisa.webber@lacity.org
Estineh Mailian, Chief Zoning Administrator, estineh.mailian@lacity.org
Jennifer Tobkin, Deputy City Attorney, jennifer.tobkin@lacity.org
Edber Macedo, City Planning Associate, edber.macedo@lacity.org

und Sonks

Appendix 1: Photos



Figure 1 - New gas meter set assembly installed over concrete pad in the parkland (4/13/2021)



Figure 2 - Truck parked in the south side of the lease with a massive generator and other tools. Pipe-fitter work station (3/25/2021)



Figure 3 - Trucks and tents in the parkland. Pipe fitters and welders build a new gas meter set assembly (March 19, 2021)



Figure 4 - SoCalGas representatives parked on the south side of the lease daily for several weeks (April 1, 2021)



Figure 5 - Surveyors in the parkland. Trucks parked in the background (March 16, 2021)



Figure 6 - Fake NO PARKING / TOW-AWAY zone set up by Murphy workers (3/16/2021)



Figure 7 - - Fake NO PARKING / TOW-AWAY zone created by workers at Murphy on 27th Street (3/17/2021)



Figure 8 - Tents, tools, and pipes were let out overnight and over the weekend. The new meter set assembly is visible in the background (3/27/2021)



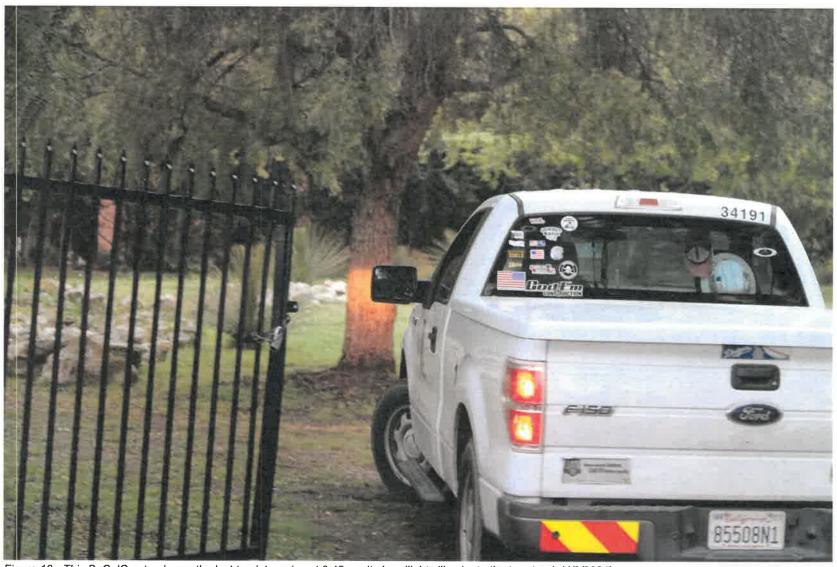


Figure 10 - This SoCalGas truck was the last truck to arrive at 6:45am. Its headlights illuminate the tree trunk (4/2/2021)

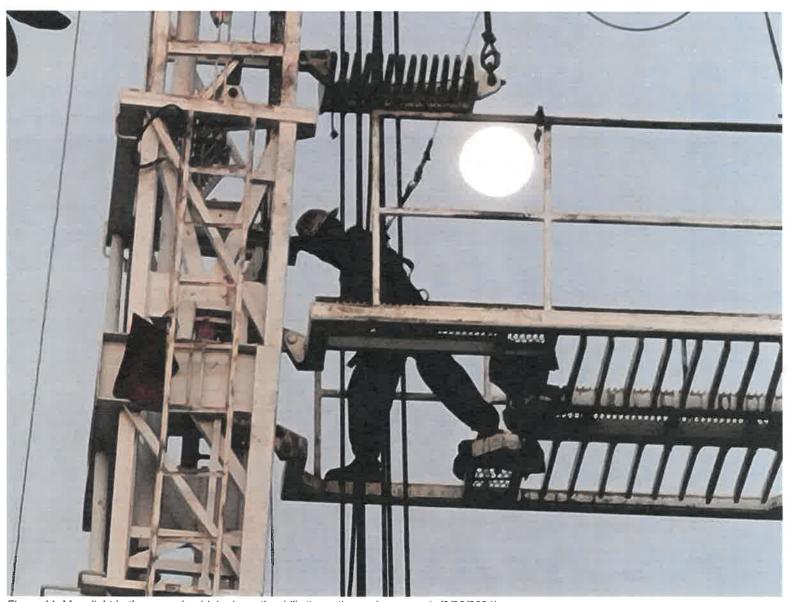


Figure 11: Moonlight bathes a worker high above the drill site on the workover perch (3/26/2021)



Figure 12: The workover rig lowers a heavy valve guided by a forklift and two workers in the dark (3/26/2021)

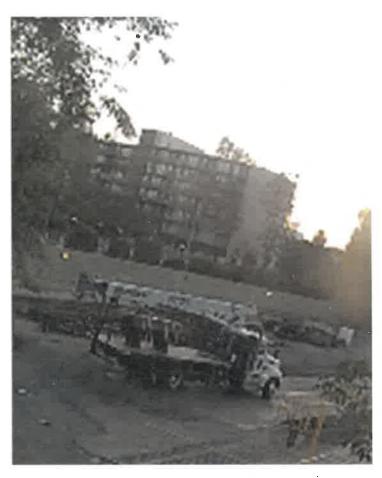


Figure 13 - On Saturday, April 10 at 6:45am a large truck with a mounted crane and large flatbed arrived on site carrying a tank



Figure 14 - NOTICE WORKING HOURS AND CONSTRUCTION & TRUCKING WILL BE BETWEEN 8 AM - 6 PM



Figure 15 – Rolling 20's gang graffiti on the east chain-link fence and mud splattered blanket (4/21/2021)



Figure 16 - Weeded east lot as seen from the St. Andrews Garden apartments parking lot (4/21/2021)



Figure 17 - Dilapidated sound blankets in the southwest corner of the drill site next to the AIDS Healthcare Foundation building.



Figure 18 - Snow Well workers secure a large pipe to a trailer (3/15/2021)



Figure 19 - Snow Well workers drive a large pipe past 24th St Elementary School and the Widney High School on 24th Street.



Figure 20 - A Clariant Acid Tanker parks next to the west wall. The workover rig works to pound a metal pipe into a well. A crane loads pipes onto a flatbed in the background. Peak decibels were 94+ with each pounding.



Figure 21 - An acid tanker (on left) pumps acid down well while two vacuum trucks remove fluids from a degassing of the FWKO tank (2/24/2021)



Figure 22 - Visible fumes float away from both vacuum trucks (2/24/2021)



Figure 23 - Oil cascades over a worker without any face shield or glasses (3/17/2021).



Figure 24 - A barehanded worker tries to stop the flow (3/17/2021)



Figure 25 - Oil drips from a hard hat as workers without PPE try to stop the flow of oil (3/17/2021)



Figure 26 - Oil splashes bare armed workers who tried to suppress the oil burst by wrapping the pipe with a plastic trash bag (4/15/2021)

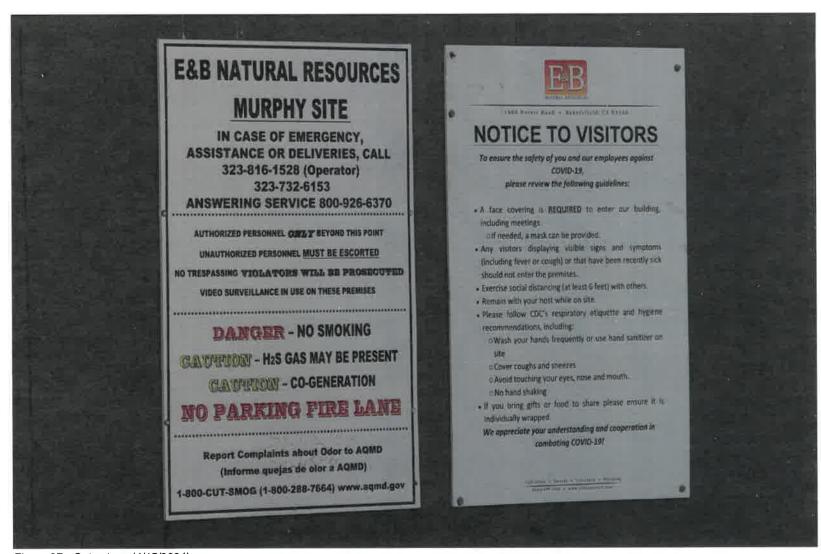


Figure 27 - Gate signs (4/15/2021)

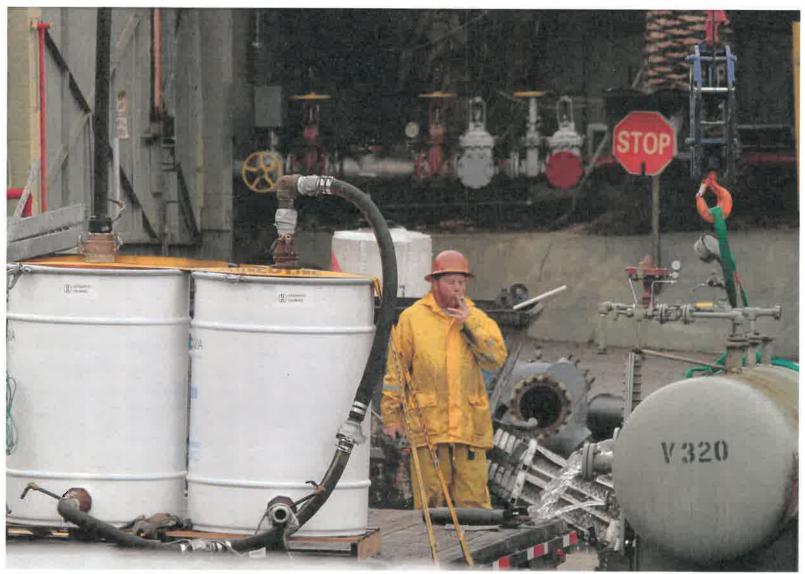


Figure 28 - Worker smokes on the drill site (3/15/2021)



Figure 29 - Worker smokes in the cab with another worker present.



Figure 30 - Missing windsock (11/19/2020)



Figure 31 - Missing windsock as a red warning light flashes on the East wall (4/15/2021)



Figure 32 - Windsock on August 18, 2020.



Figure 33 - A dirty, brown PDI trucked equipped to use radioactive materials parks on site (3/18/2021)



Figure 34 - R/A MATERIAL IN USE (3/18/2021)

Welcome to the Carrier Inspection Results Search

Per California Assembly Bill 529 Vehicles: Motor carriers: Inspections, the California Highway Patrol (CHP) is required to provide the public with the outcome of terminal inspections performed in the State of California. This site provides searching parameters to find the carrier that may potentially own or uses a terminal within California. Carriers can be located outside of California, but, terminals must reside within California.

Please use the search parameters provided to research the carrier for which you wish to view inspection results. Results of the search are returned, you may click on the Carrier (CA) / Motor Carrier Permit (MCP) number link and you will be redirected to that carrier's inspection results.

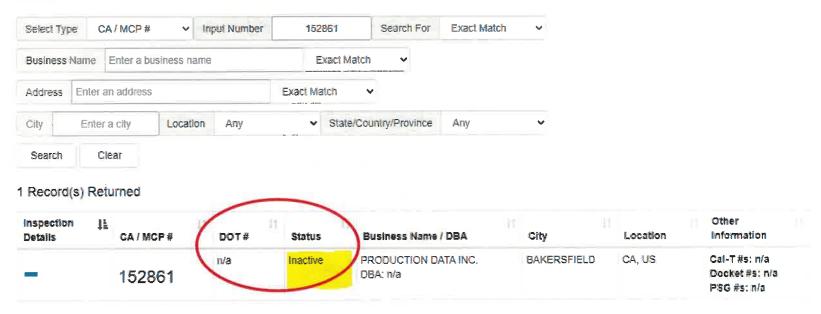


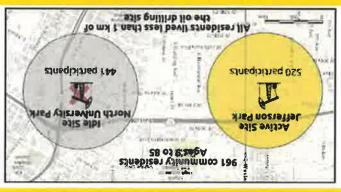
Figure 35 - CHP Inspection Results show that the Production Data Inc. truck had an "Inactive" CA Number and no associated "DOT #" (3/18/2021)



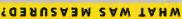
Figure 36 - The PDI truck returned to the drill site again setting out a warning sign (between vehicles) warning that radioactive materials were in use (3/25/2021)

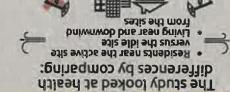


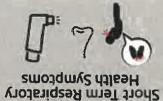
was to investigate how oil drilling may affect lungs and respiratory health of nearby residents. The goal of the study



Oil drilling is associated with air pollution, noise, odors and truck traffic,







Lung Function &

FINDINGS

Acdve site



Idle site

Dizziness Irritation of eyes and nose Chest tightness Sore throat Wheeze more short term symptoms: the active site experienced People who lived near

Worse lung function among residents living both near and downwind of the oil sites



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Edber Macedo <edber.macedo@lacity.org>

Notification to LA City Planning

3 messages

Ted Cordova tcordova@ebresources.com
To: Edber Macedo Edber Macedo edber.macedo@lacity.org

Fri, Mar 26, 2021 at 8:56 PM

Hi Edber,

I hope you are doing well.

I wanted to inform you that during our servicing of Murphy well M-31 today, we continued work past normal operating hours. We did not plan to do so, but we're required to do so according to best practices and safety reasons.

This is because M-31's production pump [equipment] is a Submersible Pump that requires a downhole cable to be connected to the electrical power at surface. Once you make this connection at surface, the BOP is not able to perfectly seal around the pipe, because the cable is bounded to the pipe.

In order to safely and responsibly walk away from the well for the day, we had to continue working until we landed the donut and secured the well head. By doing this, the well was made secure and safe overnight. These best practice actions took us beyond 7PM. Additionally, the rig was shut off by 7:45pm once the well was made safe. All work was completed well before the LA City noise ordinance which begins at 9PM [See below].

Lastly, the work on Murphy M-31 was well-servicing work, which does not require a CalGEM Permit nor an AQMD notification. We only replaced the downhole production equipment.

ZA 1959 15227

41.40 LAMC- Construction Noise

Allowable Construction Hours:

- Monday through Friday between 7:00 a.m. to 9:00 p.m.
- Saturdays and National Holidays between 8:00 a.m. to 6:00 p.m.
- Sundays, no construction except for residents

Please let us know if you have any questions.

Kind regards,

Ted

Ted Cordova

E&B Natural Resources

**Note new office direct line number: 562-548-6806

www.ebresources.com

IMPORTANT NOTICE: The information in this e-mail is confidential and may also be privileged. If you are not the intended recipient, any use or dissemination of the information and any disclosure or copying of this email is unauthorized and strictly prohibited. If you have received this email in error, please promptly inform us by reply email or telephone. You should also delete this email and destroy any hard copies produced immediately.

Edber Macedo <edber.macedo@lacity.org>
To: Ted Cordova <tcordova@ebresources.com>

Wed, Mar 31, 2021 at 7:47 AM

Good morning Ted,

Thank you for your email. I am going to review that ordinance section to verify some items.

If I have some follow up questions on the procedure carried out, I hope it's okay to reach back out to you with those clarifications. Thank you.

Best, Edber

[Quoted text hidden]



Edber Macedo (he/him/his) City Planning Associate Los Angeles City Planning 200 N. Spring Street, Room 763

Los Angeles, CA. 90012 Planning4LA.org

T: (213) 978-1198











Ted Cordova tcordova@ebresources.com/
To: Edber Macedo Edber Macedo edber.macedo@lacity.org

Wed, Mar 31, 2021 at 11:07 AM

Hi Edber,

Thank you for your email. Let us kr. ... your thoughts and review. Also, if there's a tter way to communicate with you in the future if we are in a similar scenario, please let us know.

Kind regards,

Ted

Sent from my iPhone

On Mar 31, 2021, at 7:48 AM, Edber Macedo <edber.macedo@lacity.org> wrote:

[Quoted text hidden]



June 25, 2020

Uduak-Joe Ntuk State Oil and Gas Supervisor California Geologic Energy Management Division 801 K Street, MS 24-01 Sacramento, CA 95814

Re: Murphy Drill Site, 2121 W. Adams Blvd., Los Angeles CA

Dear Supervisor Ntuk:

Redeemer Community Partnership (RCP) is a nonprofit community development corporation committed to the health, safety, and well-being of children and their families in their South LA neighborhood. RCP has been working to address the impact of oil extraction in South LA for more than half-a-decade.

The California Geologic Energy Management Division (CalGEM) has the obligation under Division 3 of the Public Resources Code and Title 14 of the California Code of Regulations to supervise the drilling, operation, maintenance, and abandonment of wells and the operation, maintenance, and removal or abandonment of tanks and facilities attendant to oil and gas production so as to prevent, as far as possible, damage to life, health, property and natural resources. (Pub. Res. Code § 3106). During the past several years, members of RCP have observed activities occurring at the Murphy Drill Site (Murphy) and have reviewed documents that suggest that the operator has engaged in unpermitted maintenance activities including re-drilling and reworking wells. RCP requests that CalGEM inquire into operations at Murphy to determine whether: 1) well number 8 has been abandoned; 2) well number 16 has been reworked; 3) operators received permits for work that occurred at the site between November 2019 and May 2020.

I. Inquiry into Status of Murphy Well Number 8

Murphy well number 8 (API 03700376) has been idle for 11 years. Under both state and local law, such a well must be abandoned. On February 3, 2020, RCP submitted a public records act request for the Notice of Intention (NOI) to sidetrack Murphy Well 8. CalGEM provided responsive documents on February 18, 2020. According to CalGEM records, on September 18, 2017, the operator received a permit to abandon well number 8. However, the documents collected by RCP do not show that the operator has actually abandoned well number 8. The status of well number 8 is of particular concern because on August 6, 2019, correspondence between the operator and CalGEM indicates that a NOI to sidetrack was cancelled. The correspondence does not specify when the NOI was submitted. On October 30, 2019, a permit to abandon Murphy Well 8 was approved again.

Through this process of applications, permits, and cancellations, the status of well number 8 remains uncertain. Has Murphy well number 8 been abandoned?

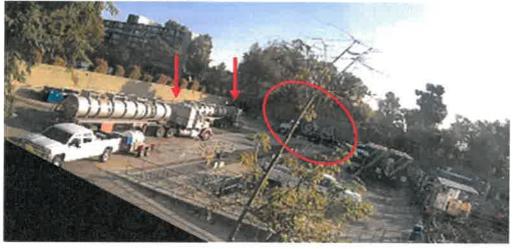
II. Inquiry into Status of Murphy Well Number 16

Murphy well number 16 (API 037-0038300) was idle between November 2015 and January 2017. Then, the operator reported a brief period during which it extracted a small amount of oil and gas from well number 16. Then in February 2018, the well was given a new API extension—037-0038301. This new API extension corresponded with a large burst of oil production in a short amount of time. That burst was about 300 barrels. Then the well sat idle again until May 2019. In October 2019 the well's production shot up to 800 barrels. It appears that Murphy well number 16, with its new API extension, continues to produce at its highest level in nearly a decade. Our understanding is that, generally, a new API extension is given only when there is a significant change to the original well. Why was Murphy well number 16 given a new API extension?

III. Inquiry into Work Observed at the Murphy Site

Between November 2019 and May 2020, community members surrounding Murphy observed extensive work occurring at the site. Based upon RCP's review of CalGEM and City of Los Angeles records, it appears that none of this work was permitted. Did CalGEM provide permits for any of the work documented below?

 On November 25, 2019, two 5,000 gallon tanker trucks arrived on the Murphy site along with a coiled tubing rig.



 On December 18, 2019, one 5,000 gallon tanker truck entered the Murphy site. The truck carried a 4-digit D.O.T. placard labeling its contents with UN #3082 which identifies Class 9 "Environmentally Hazardous Substances, Liquid."



 On December 2, 2019, one 5,000 gallon tanker truck arrived at the site very early in the morning.



On January 21, 2020, both a tractor-trailer with several heavy pieces of equipment, including what appeared to be a blowout preventer and a double shoe ram, and a Nalco Tanker arrived at the site. The tractor-trailer and the Nalco Tanker carried 4-digit D.O.T. placards with UN # 1268, 3265, and 3286 which identify flammable and corrosive substances.



 On January 22, 2020, a heavy crane arrived at the site and workers emptied what appeared to be a liquid storage tank, cut the tank into pieces and disposed of it in a roll-off dumpster.



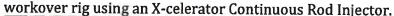
On March 5, and again on April 10, 2020, a device that resembles a coiled tubing unit
was on the site as were several other pieces of equipment and busy workers.



 On April 14, 2020, what appears to be an injector drive and coiled tubing unit were on the site.



• On May 27 and 29, 2020, there was significant activity at the site which included a





IV. Conclusion

Supervisor Ntuk, the Murphy Drill Site presents an ongoing hazard to the community. It is located within one of the most densely populated residential areas in the City of Los Angeles. Sixteen thousand people live within a half-mile radius of the drill site. Homes are a mere 40 feet away from processing equipment on the site. In addition, the drill site is surrounded by especially vulnerable populations - an apartment complex for low-income people, a high school for students with special needs, an elementary school, an early childcare program, a hospice facility, and multiple housing complexes for seniors. Given this reality, robust oversight and transparency of operations at the Murphy Drill Site are critically important—there is, literally, no room for failure for the inherently dangerous operations at the site.

Should you have any questions about the information and questions in this letter, please do not hesitate to contact us.

Sincerely,

Angela Johnson Meszaros

Byron Chan

Attorneys for Redeemer Community Partnership

Supervisor Ntuk June 25, 2020 Page 7 of 7

cc:

Councilmember Herb Wesson, Los Angeles City Council Councilmember Marqueece Harris-Dawson, Los Angeles City Council Theodore Irving, City of Los Angeles Office of Zoning Administration Jennifer Tobkin, Los Angeles City Attorney's Office



1608 Norris Road . Bakersfield, CA 93308

December 17, 2020

To: Mr. Charles J. Rausch, Jr., Associate Zoning Administrator Department of City Planning 200 North Spring Street, Room 525 Los Angeles, CA 90012

Mr. Edber Macedo, City Planning Associate with the Office of Zoning Administration Department of City Planning 200 North Spring Street, Room 525 Los Angeles, CA 90012

From: Mr. Louis P. Zylstra, Jr. PE E&B Natural Resources Management Corp. 249 East Ocean Blvd., Suite 900

Long Beach, CA 90802

Ref: Letter of Communication dated November 19, 2020

Dear Mr. Rausch:

E&B Natural Resources ("E&B") received the "Letter of Communication" from you dated November 17, 2020 in regards to our property located at 2126 West Adams Blvd ("the site"). E&B Natural Resources is responding to the City's request for clarification of work conducted at the site while E&B has been the operator.

For background information, E&B purchased the property from Sentinel Peak Resources and took over as operator in October of 2019. As a good partner to the City, we are providing the following information. Our information can also be fact checked with CalGEM. We have included the Supervisor of CalGEM on this communication.

CALGEM INFORMATION

Specifically, the Department of City Planning has requested OG103 forms, OG100 forms, OG106 forms and any other CalGEM permits related to work at 2126 West Adams Blvd.

Since taking over as operator in October of 2019, E&B has not conducted any work that would result in an OG103, OG100 or an OG106 form from CalGEM. Please see quoted CCR below:



A LIVER SHALL

1608 Norris Road . Bakersfield, CA 93308

"All operations other than drilling new wells and abandoning existing wells are under the general classification "Rework". According to §1720 (b), "rework" means any operation subsequent to drilling that involves deepening, redrilling, plugging, or permanently altering in any manner the casing of a well or its function." – CalGEM < https://www.conservation.ca.gov/calgem/for operators>

None of the work done at the Murphy site involved deepening, redrilling, plugging, or permanently altering any of the casing of a well or its function.

The following work did not require a CalGEM permit nor a permit by South Coast Air Quality Management District:

November 25, 2019: Prep well for required CalGEM testing - Murphy 27

December 2, 2019: Replace production equipment – Murphy 23

December 5, 2019: Conduct required CalGEM testing - Murphy 10, 27, & 30

January 21-22, 2020: Replace downhole equipment – Murphy 30

March 5, 2020: Replace production equipment – Murphy 21

April 10, 2020: Replace production equipment – Murphy 3

April 14, 2020: Replace production equipment – Murphy 11

May 18, 2020: Replace production equipment - Murphy 23

Murphy well number 8 is plugged and abandoned according to state regulations. The well was abandoned by the former operator, Sentinel Peak Resources. Enclosed is CalGEM correspondence.

Murphy well number 16 is an active producing well at this time. We would direct you to CalGEM and the previous owner, Sentinel Peak Resources, for information related to questions dating back to February 2018 and an API extension. CalGEM records show the well was redrilled in 1993; therefore the 01 suffix is correct and in accordance with modern regulations.

In the "background" part of the letter, the City indicates there has been 22 different approvals received from the Department of City Planning. We'd like to formally request copies of those approvals and any other letters of determinations by the Zoning Administrator the City may have on this site that we should be aware of. There was also mention of 3 complaints submitted in the last 5 years per the Los Angeles Department of Building and Safety (DBS) Code Enforcement. We'd like to receive copies of those files as well and respond to them as need be.

We operate under the strict federal, state and local regulatory framework. We have regular or unannounced inspections from CalGEM, Los Angeles Fire Department, South Coast Air Quality Management District, among others. We know the City is going through some updates such as

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1608 Norris Road . Bakersfield, CA 93308

the adoption of a City-wide annual inspection protocol and as a company we've been on the record supportive of that effort. In fact, we've volunteered to do one in 2017 and again in 2020 at another site in the City. We look forward to our continued work with supporting the City and its efforts. If you would like additional information or have any questions, feel free to reach back out to us at any time.

Sincerely,

Louis P. Zylstra, Jr. PE

Senior Vice President - LA Basin

E&B Natural Resources

Cc: Councilmember Mark Ridley-Thomas, Tenth District

Erica Blyther, Office of Petroleum and Natural Gas Administration

Uduak Ntuk, CalGEM, Supervisor



Determination for ZA-1959-15227-O-PA6

2 messages

Edber Macedo <edber.macedo@lacity.org>
To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Tue, Feb 28, 2023 at 3:06 PM

Good afternoon Ted.

Please find the determination letter for ZA-1959-15227-O-PA6 attached. A physical copy is being mailed to your firm's Long Beach address. Thank you.

Best, Edber



Edber Macedo (he/him)
City Planner
Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

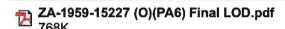
T: (213) 978-1198 | Planning4LA.org











Ted.Cordova <Ted.Cordova@ebresources.com>
To: Edber Macedo <edber.macedo@lacity.org>

Thu, Mar 2, 2023 at 9:48 AM

Thank you Edber. I appreciate the email and heads up.

Best regards,

Ted



Murphy Drill Site | 3/30/2023 Operating Hour Violation

1 message

Richard Parks <richard@redeemercp.org>

Thu, Mar 30, 2023 at 9:29 PM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

brittney@redeemercp.org>

Hi Edber,

I hope you're doing well. This morning, Thursday, March 30, 2023, E&B Natural Resources (E&B) violated its operating hours by admitting a heavy-duty, three-axle, box truck outfitted for transporting hazardous materials into the Murphy Drill Site at 6:26am. The truck executed a multi-point turn before backing down the driveway along the west property line. E&B's violation of the Zoning Administrator's operating hours constitutes an on-going public nuisance. We hope you agree that this noisome imposition must end. As always, thank you for your careful consideration of this matter.

Kind regards, Richard

--

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org





Determination for ZA-1959-15227-O-PA6

2 messages

Edber Macedo <edber.macedo@lacity.org> To: "Ted.Cordova" < Ted.Cordova@ebresources.com> Tue, Feb 28, 2023 at 3:06 PM

Good afternoon Ted.

Please find the determination letter for ZA-1959-15227-O-PA6 attached. A physical copy is being mailed to your firm's Long Beach address. Thank you.

Best, Edber



Edber Macedo (he/him)

City Planner

Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org

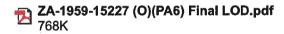












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Best regards,

Ted



Murphy Drill Site | 3/30/2023 Operating Hour Violation

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

brittney@redeemercp.org>

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Kind regards, Richard

Richar

President
Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org







SCAQMD NOV P74382

Richard Parks < richard@redeemercp.org>

Thu, Mar 30, 2023 at 6:22 PM

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

Cc: Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas Iruelas@earthjustice.org>, Brittney Lu-Jones

Struelas@earthjustice.org>, Brittney Lu-Jones

Struelas@earthjustice.org>

Hi Edber,

Following up, here is the NOV from last weeks' SCAQMD investigation at the Murphy Drill Site. Once the Air District closes the NOV, we anticipate receiving the inspector's notes which will likely include more information about the intensity of the leaks that were found.

Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2023-03-17_MDS AQMD_NOV P74382.pdf 28K

South Coast Air Quality Management District

NOV P74382

Run Date: 3/28/2023 08:59:20

Company			
Facility:	E&B NATURAL RESOURCES MANAGEMENT	CORP (ID: 191119)	
Location Address: Mailing Address:	2126 W ADAMS, BLVD LOS ANGELES, CA 900 1608 NORRIS, RD BAKERSFIELD, CA 93308)18-2039	
AIRS ID	1000 NORMS, ND BARENSHEED, CA 95500		
Violation			
Notice Issued Date:	3/17/2023		
Violation Date:	3/17/2023		
Serve To:	CHRISTOPHER HASSLER		
Title:	ENVIRONMENTAL COORDINATOR		
Issue By: Assignment No.:	PHILIP CHEN (Team: Z)		
Equipment	2047163 Wasterwater holding tank T_3, FWKO		
Description:	Wasterwater Holding talik 1_3, FWKO		
Violation:	Failure to properly maintain equipment in good op	perating conditions at all times.	
Disposition			
Final Action Code:			
Achieved Date:	03/24/2023		
Due Date:	00.2 % 2020		
Violation Days:	0		
D 1./C			
Rule/Comment		4-1	
203 (B) The equi	ipment or agricultural permit unit shall not be opera	ted contrary to the	
Emittent			
Dallow His			
Follow-Up			
Status: INCOMP	Inspector ID: PC05 Insp	pection Date: 03/24/23 00:00	Number:
Lap Sample Nu	umbers		
Device IDs.			
Inspector Com	ment		
Title Process			
INSPECTOR:		D ATTE	
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UPERVISOR: sign	ature ature mos	DATE:	Page 1 :





Murphy Drill Site | Notice of Violation

3 messages

Richard Parks < richard@redeemercp.org>

Fri, Mar 17, 2023 at 7:41 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <iennifer.tobkin@lacity.org>

Hi Edber.

I hope you are doing well. Late this morning residents reported pungent petroleum and chemical odors around the Murphy Drill Site at 2126 W. Adams Blvd. A South Coast Air Quality Management District (SCAQMD) inspector investigated several hours later. By the time he arrived, the odors had dissipated. However, he found two sources of fugitive emissions and issued a Notice of Violation (NOV).

The workover rig was on site today along with several heavy vehicles. The inspector said E&B described the activity as a "well rework". We will share copies of the NOV once it is published.

Kind regards, Richard

__

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 21, 2023 at 3:34 PM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

Good afternoon Richard,

Thank you for your message and for the information regarding the recent activities at 2126 West Adams Blvd.

Do you happen to know of the name of the SCAQMD inspector/personnel that visited the site? Thank you.

Sincerely,

Edber

[Quoted text hidden]

Richard Parks < richard@redeemercp.org>

Tue, Mar 21, 2023 at 3:55 PM

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

Hi Edber,

Yes, the inspector was Phillip Chen. His number is 909-436-5074. He is still writing up the Notice of Violation (NOV), but it should be available in the next day or two with a reference number.

The leak Mr. Chen found was so large, it exceeded the monitor's ability to read, causing the monitor to "flare out". This indicates that the leak was at least 100,000ppm or twice the explosive level of methane. SCAQMD has equipment that can get higher readings, however, Mr. Chen did not have a diluter with him at the time of the inspection.

Thank you again for your attention to this.

Richard



Murphy Drill Site On-going Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Tue, Mar 14, 2023 at 10:36 AM

To: estineh.mailian@lacity.org

Cc: charlie.rausch@lacity.org, Edber Macedo <edber.macedo@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

brittney@redeemercp.org>

Good morning Chief Zoning Administrator Mailian,

Please find attached our letter outlining on-going nuisance operating hour violations at the Murphy Drill Site. Thank you for your consideration.

Kind regards, Richard Parks

President
Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2023-03-14 - Murphy Drill Site - Operating Hour Violations.pdf 172K

Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 14, 2023 at 2:21 PM

To: Richard Parks < richard@redeemercp.org>

Cc: estineh.mailian@lacity.org, charlie.rausch@lacity.org, Hakeem Parke-Davis hakeem.parke-davis@lacity.org, Jennifer Tobkin jennifer.tobkin@lacity.org, Brittney Lu hakeem.parke-davis@lacity.org, Jennifer Tobkin jennifer.tobkin@lacity.org, Brittney Lu hakeem.parke-davis@lacity.org, Brittney L

Good afternoon Richard,

Thank you for your message and corresponding attachment. My office will be looking into this right away.

Sincerely, Edber





Murphy Drill Site | Notice of Violation

3 messages

Richard Parks < richard@redeemercp.org>

Fri, Mar 17, 2023 at 7:41 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

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The workover rig was on site today along with several heavy vehicles. The inspector said E&B described the activity as a "well rework". We will share copies of the NOV once it is published.

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Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org

www.redeemerop.org



Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 21, 2023 at 3:34 PM

To: Richard Parks < richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

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Sincerely,

Edber

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <iennifer.tobkin@lacity.org>, Brittney Lu

/ennifer.tobkin@lacity.org>, Brittney Lu

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Thank you again for your attention to this.

Richard



Murphy Drill Site | Operating Hour Violation

1 message

Richard Parks < richard@redeemercp.org>

Fri, Mar 24, 2023 at 11:15 AM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>

Good morning Edber,

I hope you're doing well. I wanted to advise the Office of Zoning Administration that at 6:21 this morning, Friday, March 24, 2023, E&B Natural Resources again violated its operating hours at the Murphy Drill Site located at 2126 W. Adams Blvd.

E&B admitted a heavy duty, three-axle, box truck at 6:21am. Over the next several minutes, the truck executed a tortuous eight-point turn in order to back down the driveway before off-loading deliveries. This truck appears consistent with weekly hazardous chemical deliveries made by Dion & Sons. The early morning engine noise, back-up alarms, flashing lights, and work activity constitute an on-going public nuisance.

On behalf of our community, I urge the Office of Zoning Administration to expand the facility's quiet hours from 5pm to 9am. This will help eliminate the quiet hour violations and ensure that these hazardous material deliveries do not take place under the cover of darkness where operational safety could be impaired. Thank you for your consideration.

Kind regards, Richard

President
Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org





Fwd: Appeal on ZA-1959-15227-O-PA6

3 messages

Sarahi Ortega <sarahi.ortega@lacity.org> To: Edber Macedo <edber.macedo@lacitv.org> Wed, Mar 15, 2023 at 5:19 PM

Hi Edber.

Please see below and attachments. Let me know if we should discuss later.

-- Forwarded message --

From: Maxfield Vermy <maxfield.vermy@lacity.org>

Date: Wednesday, March 15, 2023

Subject: Appeal on ZA-1959-15227-O-PA6

To: Sarahi Ortega <sarahi.ortega@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>

Cc: Christina Toy <christina.toy-lee@lacity.org>, Stacy Munoz <stacy.munoz@lacity.org>, Heather Bleemers

<heather.bleemers@lacity.org>, Linda Lou linda.lou@lacity.org>, Jason Chan <jason.chan@lacity.org>, Maritza Przekop <maritza.przekop@lacity.org>, Connie Chauv <connie.chauv@lacity.org>

Afternoon.

The public counter received an appeal for part of the decision from the applicant on case no. ZA-1959-15227-O-PA6 (see attached). The project is located at 2126 W Adams Blvd. Received yesterday, 3/14/23 and today 3/15/23 is the last day to appeal. The appellant body is the City Planning Commission.



Maxfield Vermy

Pronouns: He, His, Him City Planning Associate

Los Angeles City Planning

201 N Figueroa St., 4th Floor

Los Angeles, CA 90012

T: (213) 482-7340 | Planning4LA.org















Sarahi Ortega | She/Her

(Sa-ra-ee)

City Planning Associate

Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

Planning4LA.org











E-NEWS

3 attachments





Edber Macedo <edber.macedo@lacity.org> To: Sarahi Ortega <sarahi.ortega@lacity.org> Wed, Mar 15, 2023 at 5:22 PM

Thank you, Sarahi! [Quoted text hidden]

Maritza Przekop <maritza.przekop@lacity.org>

Wed, Mar 15, 2023 at 5:24 PM

To: Maxfield Vermy <maxfield.vermy@lacity.org>

Cc: Sarahi Ortega <sarahi.ortega@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, Christina Toy <christina.toylee@lacity.org>, Stacy Munoz <stacy.munoz@lacity.org>, Heather Bleemers <heather.bleemers@lacity.org>, Linda Lou </l></l></l></l></l></l <edber.macedo@lacity.org>

Thank you Maxfield. Adding Edber



Maritza Przekop Senior City Planner DSC: 201 N. Figueroa Street Los Angeles, CA 90012 Cell: (213) 317-4393











[Quoted text hidden]

3 attachments



Original Determination Letter.pdf 863K



Justification and Reason Statement.pdf 621K



Appeal Form.pdf 74K



Murphy Drill Site | Operating Hours Violations and Odor Complaints

2 messages

Richard Parks < richard@redeemercp.org> To: Edber Macedo <edber.macedo@lacity.org>

Mon, Apr 17, 2023 at 11:43 AM

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parkedavis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas ruelas@earthjustice.org, Brittney Lu-Jones brittney@redeemercp.org

Good morning Edber,

I hope you had a good weekend. On Friday, April 14, at 6:53am E&B Natural Resources (E&B) violated the Murphy Drill Site's operating hours by admitting a heavy-duty, three-axle box truck that typically delivers hazardous materials. This was the 21st operating hour violation since the public hearing on April 28, 2022, almost one-year ago.

Also, on Thursday April 16, residents submitted odor complaints to the South Coast Air Quality Management District in response to noxious petroleum fumes that were detected in the neighborhood over a period of several hours. Heavy work involving the workover rig was underway at the time. Unfortunately, an inspector was not immediately available to investigate. Residents were told that an inspection could take place on the following day. This is not an uncommon occurrence.

We want to continue to share these updates as your office prepares to defend the Letter of Determination on appeal and as we all grapple with how to address the Murphy Drill Site as an on-going public nuisance and public health threat. Thank you for your consideration.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org> To: Richard Parks < richard@redeemercp.org>

Fri, Apr 21, 2023 at 10:06 AM

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parkedavis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas ruelas@earthjustice.org, Brittney Lu-Jones brittney@redeemercp.org

Good morning Richard.

I apologize for the delay in responding to your email. I will review the videographic evidence you attached and I'll also include this correspondence in both the PA6 case file and the appeal case file for PA6.

Sincerely. Edber [Quoted text hidden]















Referral to CalGEM Southern District staff

4 messages

Edber Macedo <edber.macedo@lacity.org>
To: "Wang, Wenli@DOC" <Wenli.Wang@conservation.ca.gov>

Tue, Jul 19, 2022 at 1:16 PM

Good afternoon Wenli,

I am reaching out to ask if I could schedule a meeting with you or with another engineer at CalGEM to discuss some technical issues with drill sites in the City of Los Angeles. There is a drill site in the Las Cienegas Oil Field that is undergoing a Planning Department-mandated compliance review and we wanted to ask someone with a petroleum engineering background some questions. The questions are general in nature even though they are related to a drill site.

Would you be available for a phone call in the coming weeks? If not, a referral to any area engineer in the Southern District would be most appreciated. Please let me know if you'd like more information.

Sincerely, Edber



Edber Macedo (he/him)
City Planner
Los Angeles City Planning
200 N. Spring St., Room 763
Los Angeles, CA 90012

T: (213) 978-1198 | Planning4LA.org











Wang, Wenli@DOC <Wenli.Wang@conservation.ca.gov>
To: Edber Macedo <edber.macedo@lacity.org>

Tue, Jul 19, 2022 at 2:32 PM

Hi Edber,

Could you please list the relevant questions so I can assign the appropriate staff to assist you?

Thank you,

Wenli

[Quoted text hidden]

Edber Macedo <edber.macedo@lacity.org>
To: "Wang, Wenli@DOC" <Wenli.Wang@conservation.ca.gov>

Tue, Jul 19, 2022 at 2:45 PM

Hello Wenli,

Yes, of course. Please see the questions below and let me know if I can help clarify or explain more about the question(s).

Does CalGEM know of any drill sites in the Southern District, or the entire state, that use electric workover (not drilling) rigs for their maintenance, daily workover projects? [I am trying to determine if this is widespread industry practice in California or if it is just a few operators in the state that use electric-only workover rigs].

- Does CalGEM have any rections (i.e. require a NOI or other permitting ess) if a local municipality or county
 from a land use zoning approval requires an operator to install a permanent electric workover rigs for drill site
 operations?
- Does CalGEM have any restrictions (i.e. require a NOI or other permitting process) if a local municipality or county
 from a land use zoning approval requires enclosure and soundproofing of the drilling and/or workover rig at a drill site operation?

Let me know if I can clear anything up. Thank you for your time.

Sincerely, Edber [Quoted text hidden]

Wang, Wenli@DOC <Wenli.Wang@conservation.ca.gov>
To: Edber Macedo <edber,macedo@lacity.org>

Tue, Jul 19, 2022 at 4:20 PM

Hi Edber,

The requirement of the rig is outside the jurisdiction of CalGEM. We would not require one type of rig versus the other. There has been some electric rig usage in the LA Basin but it is not widespread. CalGEM would also not regulate soundproofing.

Thanks,

Wenli

Wenli Wang, P.E.

Supervising Oil and Gas Engineer

Area Operations Manager, Southern District

California Geologic Energy Management Division

California Department of Conservation

3780 Kilroy Airport Way, Suite 400 Long Beach, CA 90806

T: (714)-715-6003

E: Wenli. Wang@conservation.ca.gov





Question for CalGEM // Tracer Surveys for Injector Wells

3 messages

Edber Macedo <edber.macedo@lacity.org>
To: "CalGEMSouthern@DOC" <CalGEMSouthern@conservation.ca.gov>

Wed, Feb 9, 2022 at 9:17 AM

Good morning CalGEM staff,

I work at the City of Los Angeles's Planning department and I have a question from a regulator standpoint. This may count as a PRA and that is fine. I do hope there is someone at CalGEM that can help answer my questions.

- Does CalGEM require a Notice of Intention for tracer surveys conducted on injector wells?
- Does CalGEM require CEQA sign off from the local agency for tracer surveys?
- Are CalGEM inspectors required to be on-site when tracer surveys are conducted?
- Does CalGEM require notification before and/or after the tracer survey activities are carried out?

Your answers would be most helpful. Thank you.

Best, Edber



Edber Macedo (he/him)
City Planning Associate
Los Angeles City Planning

200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org











CalGEMSouthern@DOC <CalGEMSouthern@conservation.ca.gov>
To: Edber Macedo <edber.macedo@lacity.org>

Wed, Feb 9, 2022 at 9:48 AM

Dear Mr. Macedo:

The California Geologic Energy Management Division (CalGEM) responds to your 02/09/2022, Public Request Act (PRA) request, a copy of which is attached below. (See Gov. Code, § 6253, subd. (c).)

We are still in the process of gathering and reviewing records to determine if any are responsive to your request and will make every effort to provide them as soon as possible. CalGEM will disclose records responsive to your request subject to any laws that exempt them from disclosure (e.g., Gov. Code, § 6254).

In the meantime, if you need any other information, you may reach us by email at CalGEMSouthern@conservation.ca.gov.



Tee N. Tsai

Office Technician

Geologic Energy Management Division

Southern District

California Department of Conservation

3780 Kilroy Airport Way, Suite 400

Long Beach, CA 90806

T: (562) 637-4400

E: CalGEMSouthern@conservation.ca.gov

CONFIDENTIALITY NOTICE: This communication with its contents may contain confidential and/or legally privileged information. It is solely for the use of the intended recipient(s). Unauthorized interception, review, use or disclosure is prohibited and may violate applicable laws including the Electronic Communications Privacy Act. If you are not the intended recipient, please contact the sender and destroy all copies of the communication.

[Quoted text hidden]

CalGEMSouthern@DOC <CalGEMSouthern@conservation.ca.gov>

Tue, Feb 15, 2022 at 8:38

AM

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

Dear Mr. Macedo:

This is in response to request received on 02/09/2022.

The answer to all the questions is no. Operators are required to run a migration survey once every two years, in general. They can run a tracer survey to satisfy the requirement. Operators can run a tracer survey multiple times if they so choose as long as they have a passing survey on

file with the Division. \(\lambda\) ...e following regulation applie to running a radioactive tracer survey:

1724.10.2 (d) Radioactive Tracer Survey. In addition to all other applicable federal, state, and local

requirements, a radioactive tracer survey performed to satisfy the requirements of this section

shall adhere to the following:

- (1) Testing shall be conducted while injecting, and the operator shall ensure that adequate fluid can be supplied for the test. The injection rate shall be governed by the ability of the operator to track the radioactive tracer as it moves downward, but the injection rate should be stable and as close to the normal operating injection rate as practical.
- (2) If the injection well is equipped with a packer and there is no injection occurring through the casing-tubing annulus, the casing-tubing annulus valve shall be open during testing and there shall be no fluid flow, unless the well is a gas disposal well. If fluid flow is indicated, the test shall be discontinued and the casing-tubing annulus shall be evaluated.
- (3) Gamma ray detector sensitivity shall be set in consideration of lithologic and other effects.
- (4) Before conducting the test, a dynamic temperature survey shall be run from at least 200 feet above the packer to the total depth, and a static temperature survey shall be run for the entire length of the well. A casing collar locator shall be run from 200 feet above the packer to the total depth. If the well is not equipped with tubing and packer, then the casing collar locator shall be from 200 feet above the top perforation to the total depth.
- (5) A background gamma ray log over the interval to be tested shall be recorded before any radioactive material is introduced into the well.
- (6) Radioactive tracer tubing rate checks shall be run within 200 feet of the top and 200 feet from the bottom of the tubing.
- (7) The release of a slug of radioactive material shall be above the interval to be tested.

- (8) The slug of radic ctive material shall be followed with the logging tool or the tool shall make repeated passes upward through the slug as it moves down the well. Alternatively, with Division approval, the amount for the slug to go from surface to the tool may be measured. All logging shall be done at a single logging speed which is appropriate for the injection rate to allow quantitative measurements of deflections to be evaluated.
- (9) If repeated passes are used, the logs resulting from the slug-tracking exercise should overlap so that the return of radioactivity to the level which existed before the slug's passing is demonstrated for the entire length of the section of the well being tested. The logs of all passes shall be presented as a composite log on a common depth track. If means to differentiate the log traces are available, then no other presentation is required. If the traces cannot be differentiated on the composite log, then they shall also be presented individually.
- (10) After any ejection of radioactive tracer into the wellbore, the slug of radioactive tracer material shall be followed until it has moved below the interval being tested. Any portion of the slug of radioactive tracer material that divides shall be accounted for.
- (11) After completion of the log passes, a final log should be made through the entire tested interval to check for residual radioactivity which might be associated with exit of radioactive tracer material from the wellbore.
- (12) If a well other than a steam injection well is injecting at a rate consistent with that described in subdivision (d)(1), radioactively treated beads shall be introduced into the well and evaluated according to subdivision (d)(7) through (d)(10).
- (13) Steam injection wells shall be tested using an inert gas tracer.

Note the survey is typically conducted using radioactive lodine which has a half-life of approximately 8 days.

Upon receipt of this email, the California Geologic Energy Management Division considers this PRA request to be completed.



Murphy Drill Site | Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Fri, Apr 28, 2023 at 1:18 PM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <iennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parkedavis@lacity.org>, Brittney Lu-Jones

 sprittney@redeemercp.org>, Angela Johnson Meszaros <ameszaros@earthiustice.org>, Byron Chan

Schan@earthiustice.org>, Lupe Ruelas <area liquid liq

Hi Edber.

I hope you're doing well. As your office prepares for E&B's appeal of the Murphy Drill Site Letter of Determination, we wanted to keep you informed of on-going operating hour violations by the oil company.

This morning, Friday, April 28, at 6:33am E&B admitted a three-axle box truck to the Murphy Drill Site in violation of the facility's restricted operating hours (video). This truck is characteristic of those used to transport hazardous materials to the facility. The truck departed the drill site at 6:56am.

Likewise, last Friday, April 21, E&B admitted a three-axle box truck to the Murphy Drill Site at 6:32am in violation of the facility's restricted operating hours (video). The truck departed the facility at 6:56am.

E&B continues to create public nuisances by refusing to abide by the Zoning Administrator's operating conditions. We hope this information will help your office defend the Letter of Determination at the upcoming appeal and consider what additional measures are necessary to ensure E&B's compliance and the protection of the public's health and safety.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Tue, May 2, 2023 at 7:59 AM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <iennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parkedavis@lacity.org>, Brittney Lu-Jones <bri> davis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas <Iruelas@earthjustice.org>

Good morning Richard,

Thank you for your email and for sending over this information. I am in receipt of your correspondence, including the videographic evidence. I will be including this in the administrative record for the PA6 appeal.

Sincerely, Edber



Murphy Drill Site | Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Fri, Apr 28, 2023 at 1:18 PM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

varietney@redeemercp.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan

varietney@redeemercp.org>, Lupe Ruelas lruelas@earthjustice.org

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E&B continues to create public nuisances by refusing to abide by the Zoning Administrator's operating conditions. We hope this information will help your office defend the Letter of Determination at the upcoming appeal and consider what additional measures are necessary to ensure E&B's compliance and the protection of the public's health and safety.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Tue, May 2, 2023 at 7:59 AM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones <bri>davis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan
bchan@earthjustice.org>, Lupe Ruelas <Iruelas@earthjustice.org>

Good morning Richard,

Thank you for your email and for sending over this information. I am in receipt of your correspondence, including the videographic evidence. I will be including this in the administrative record for the PA6 appeal.

Sincerely, Edber

Los Angeles City Planning Department

EXTENSION OF TIME LIMIT FOR AREA OR CITY PLANNING COMMISSION DECISIONS ON LAND USE APPLICATIONS AND APPEALS

This form is to be used to request an extension of the time limit to act for Area or City Planning Commission decisions on legislative and quasi-judicial land use applications and appeals. This request must be made before the matter is agendized. If notice of the hearing has been mailed, the applicant is responsible for the cost of mailing the cancellation and new hearing notice.

<u>To Be Completed by the Applicant or Applicant's Representative</u>: (Please Type or Print)

		(*	-7	
	NoZA-1959-15227-O-PA6-1			
Street	Address of PropertyInvolved:	2126 West Adams Blvd, L.A	A., CA 90018	
Applic	ant(s): E&B Natural Resources	s Management Corporation		
Repre	sentative: E&B Natural Resour	ces Management Corporation	on	
applic Sout	est for Extension of Time Limit ation / appeal will expire on: h Los Angeles Planning Comr Commission)	May 29, 2023 . It is hereb	v requested to extend the ti	me limit for the
Reaso	n(s) for Request:			
appea	tor agrees to time extension in justification for the case deter	mination in ZA-1959-15227		
Signed	Address: 249 East Ocean Blv	Print Name; rd., 9th Floor Long Beach, C	Date: A 90802	
Teleph	one No	E-Ma	il:	.com
	To Be C	ompleted by Planning Der	partment Staff:	
√	Pursuant to Municipal Code Se of time limits by mutual written policy of the Area/City Plann approve extensions of time linature and will not prejudice the subject application or until: June 30, 2023	consent of the applicant and ing Commission delegating mits on its behalf, the requent the future decision by the Area appeal, and therefore the	decision-maker], and in accord authority to the Director of ested time extension is deen aCity Planning Commission or	dance with the of Planning to ned routine in the merits of
	Applicant to pay all BTC Public	Hearing Notice costs assoc	ciated with a new Hearing or o	cancellation,
Directo	NT P. BERTONI, AICP r of Planning	EDBER MACEDO	, CITY PLANNER	4/12/2023
Ву:	Signature	Name	Title	
c:	Commission Office Case File	rvame	i wa	Date
CP-194	7 (rev. 08-08-17)			



Murphy Drill Site | Operating Hours Violations and Odor Complaints

2 messages

Richard Parks <richard@redeemercp.org>

Mon, Apr 17, 2023 at 11:43 AM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas@earthjustice.org>, Brittney Lu-Jones

Fittney@redeemercp.org>

Good morning Edber,

I hope you had a good weekend. On Friday, April 14, at 6:53am E&B Natural Resources (E&B) violated the Murphy Drill Site's operating hours by admitting a heavy-duty, three-axle box truck that typically delivers hazardous materials. This was the 21st operating hour violation since the public hearing on April 28, 2022, almost one-year ago.

Also, on Thursday April 16, residents submitted odor complaints to the South Coast Air Quality Management District in response to noxious petroleum fumes that were detected in the neighborhood over a period of several hours. Heavy work involving the workover rig was underway at the time. Unfortunately, an inspector was not immediately available to investigate. Residents were told that an inspection could take place on the following day. This is not an uncommon occurrence.

We want to continue to share these updates as your office prepares to defend the Letter of Determination on appeal and as we all grapple with how to address the Murphy Drill Site as an on-going public nuisance and public health threat. Thank you for your consideration.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Fri, Apr 21, 2023 at 10:06 AM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Angela Johnson Meszaros meszaros@earthjustice.org, Byron Chan

bchan@earthjustice.org, Lupe Ruelas Ruelas lorg, Brittney Lu-Jones brittney@redeemercp.org>

Good morning Richard,

I apologize for the delay in responding to your email. I will review the videographic evidence you attached and I'll also include this correspondence in both the PA6 case file and the appeal case file for PA6.

Sincerely, Edber













Murphy Drill Site | Operating Hour Violation

1 message

Richard Parks < richard@redeemercp.org>

Fri, Mar 24, 2023 at 11:15 AM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin < jennifer.tobkin@lacity.org>, Hakeem Parke-Davis < hakeem.parke-davis@lacity.org>, Brittney Lu < brittney@redeemercp.org>

Good morning Edber,

I hope you're doing well. I wanted to advise the Office of Zoning Administration that at 6:21 this morning, Friday, March 24, 2023, E&B Natural Resources again violated its operating hours at the Murphy Drill Site located at 2126 W. Adams Blvd.

E&B admitted a heavy duty, three-axle, box truck at 6:21am. Over the next several minutes, the truck executed a tortuous eight-point turn in order to back down the driveway before off-loading deliveries. This truck appears consistent with weekly hazardous chemical deliveries made by Dion & Sons. The early morning engine noise, back-up alarms, flashing lights, and work activity constitute an on-going public nuisance.

On behalf of our community, I urge the Office of Zoning Administration to expand the facility's quiet hours from 5pm to 9am. This will help eliminate the quiet hour violations and ensure that these hazardous material deliveries do not take place under the cover of darkness where operational safety could be impaired. Thank you for your consideration.

Kind regards, Richard

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org





Murphy Drill Site | 3/30/2023 Operating Hour Violation

1 message

Richard Parks <richard@redeemercp.org>

Thu, Mar 30, 2023 at 9:29 PM

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

Cc: charlie.rausch@lacity.org, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Brittney Lu-Jones

brittney@redeemercp.org>

Hi Edber,

I hope you're doing well. This morning, Thursday, March 30, 2023, E&B Natural Resources (E&B) violated its operating hours by admitting a heavy-duty, three-axle, box truck outfitted for transporting hazardous materials into the Murphy Drill Site at 6:26am. The truck executed a multi-point turn before backing down the driveway along the west property line. E&B's violation of the Zoning Administrator's operating hours constitutes an on-going public nuisance. We hope you agree that this noisome imposition must end. As always, thank you for your careful consideration of this matter.

Kind regards, Richard

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Los Angeles City Planning Department

EXTENSION OF TIME LIMIT FOR AREA OR CITY PLANNING COMMISSION DECISIONS ON LAND USE APPLICATIONS AND APPEALS

This form is to be used to request an extension of the time limit to act for Area or City Planning Commission decisions on legislative and quasi-judicial land use applications and appeals. This request must be made before the matter is agendized. If notice of the hearing has been mailed, the applicant is responsible for the cost of mailing the cancellation and new hearing notice.

To Be Completed by the Applicant or Applicant's Representative: (Please Type or Print)

	(Fidual Type of Filmy		
Case N	oZA-1959-15227-O-PA6-1A		
Street A	address of PropertyInvolved: 2126 West Adams Blvd, L.A., CA 9	90018	
Applica	nt(s): E&B Natural Resources Management Corporation		2
Represe	entative: E&B Natural Resources Management Corporation		
Reques applicat South	t for Extension of Time Limit: The current time limit for the Coion / appeal will expire on: May 29, 2023 _ It is hereby requires Angeles Planning Commission to act for a period of	mmission to decide the ested to extend the tim_weeks, or untilJu	e subject case ne limit for the ne 30, 2023
Operato	(s) for Request: or agrees to time extension in order to allow Los Angeles City Playstification for the case determination in ZA-1959-15227-O-PA6	anning more time to res	pond to the
Signed:	Print Name: Ted Cordova	Date: 4/12	/2023
Meiling	Address: 249 East Ocean Blvd., 9th Floor Long Beach, CA 9080	2	
Telepho	one No E-Mail; ted.c	ordova@ebresources.c	com
relepire			
	To Be Completed by Planning Departme		
1 1 1	Pursuant to Municipal Code Section	rity to the Director of ime extension is deem anning Commission on the anning Commission on the anning Commission on the anning the commission of the anning the anning the commission of the anning the commission of the anning the anning an anning an anning anning anning anning anning anning anning anning an anning anning an anning anning an anning an anning an anning an anning an anning an anning an anning	ed routine in the merits of
	Applicant to pay all BTC Public Hearing Notice costs associated		ancellation.
	of Planning EDBER MACEDO	CITY PLANNER	4/12/2023
ву:	Signature Name	Title	Date
	Commission Office Case File		

CP-1947 (rev. 08-08-17)



March 14, 2023

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: Update on the Murphy Drill Site, ZA-1959-15227 (O)(PA6)

Dear Chief Zoning Administrator Mailian,

On Friday, March 3, 2023, at 5:29am, E&B Natural Resources admitted a large delivery truck onto the Murphy Drill Site at 2126 W. Adams Blvd. in violation of its hours of operation (video attached here). E&B opened the gate for the vehicle's departure at 5:56am (video attached here). This is in clear violation of Condition 6, which prohibits operations on weekdays prior to 7am.

The box truck was outfitted for transporting and dispensing chemicals that are stored in the interior of the truck. The nozzles for off-loading chemicals are enclosed in a compartment visible under the truck bed between the two rear axles and the passenger compartment. The truck with its flammable materials hazard placards, was consistent with deliveries of toxic methanol, a potent solvent, that we have previously observed being made to the drill site by Dion & Sons.

E&B's disregard for its operating hours just a few days following release of the City's Murphy Drill Site Letter of Determination was not an isolated public nuisance. Since the public hearing held on April 28, 2022, residents have documented 17 instances of E&B admitting vehicles to the drill site in violation of its operating hours.

Date	Time	Description
05-03-2022	6:13am	Trash truck admitted onsite
05-24-2022	6:05am	Trash truck admitted onsite
05-31-2022	5:53am	Trash truck admitted onsite

06-24-2022	4:31am	Flatbed truck admitted onsite
07-06-2022	6:11am	Trash truck admitted onsite
07-15-2022	6:43am	Yellow flatbed truck delivering methanol barrels admitted
07-22-2022	6:48am	White flammable materials box truck admitted
08-04-2022	6:23am	White pickup pulling long equipment trailer exits the site
08-11-2022	6:19am	Heavy-duty flatbed truck admitted onsite.
08-19-2022	6:51am	White flammable materials box truck admitted
08-26-2022	6:46am	White flammable materials box truck admitted
09-02-2022	6:45am	White flammable materials box truck admitted
11-04-2022	6:15am	White flammable materials box truck admitted
11-30-2022	5:35am	Large flatbed truck with crane departs site
12-09-2022	6:49am	White flammable materials box truck admitted
01-27-2023	6:27am	White flammable materials box truck admitted
02-10-2023	6:44am	White flammable materials box truck admitted

Clearly, E&B Natural Resources is opening its gates without regard for the conditions imposed by the Zoning Administrator. Therefore, we urge you to strengthen nuisance protections for residents by limiting E&B's hours of operation to 9am to 5pm Monday through Friday. This would divert activities away from quiet hours and remove the cover of darkness for hazardous material deliveries. Thank you for your consideration.

Kind regards,

Richard Parks

President



Time Extension for ZA-15227-O-PA6-1A // 2126 W Adams Blvd

messages

Edber Macedo <edber.macedo@lacity.org> To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Wed, Apr 12, 2023 at 1:45 PM

Good afternoon Ted.

I am forwarding a 1-page document that memorializes the time extension for ZA-1959-15227-O-PA6-1A; the appeal case for the recent Murphy Drill Site determination.

I have completed and filled out the sheet and I'd like to respectfully request your signature under "Reason(s) for Request." Please let me know if you have any questions. Thank you.

Sincerely, Edber



Edber Macedo (he/him) City Planner Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org













Ted.Cordova < Ted.Cordova@ebresources.com> To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 1:45 PM

Hi Edber,

Do we incur any additional new costs associated with this? I assume no since no mailing has incurred?

Thanks,

Ted

[Quoted text hidden]

Edber Macedo <edber.macedo@lacity.org> To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 1:51 PM

Good afternoon Ted,

I can confirm that E&B Natural Resources will not incur any additional new costs associated with the time extension because the mailing has not taken place. Let me know if you have questions.

Best. Edber

[Quoted text hidden]

Ted.Cordova <Ted.Cordova@ebresources.com> To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 1:57 FM

Thank you for your confirmation.

[Quoted text hidden]

Ted.Cordova <Ted.Cordova@ebresources.com> To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 1:59 PM

Hi Edber,

We are happy to work with the City on a timeline extension per the City's request. Please see the attachment.

Best, Ted

From: Edber Macedo <edber.macedo@lacity.org> Sent: Wednesday, April 12, 2023 1:45 PM

To: Ted.Cordova <Ted.Cordova@ebresources.com>

Subject: Time Extension for ZA-15227-O-PA6-1A // 2126 W Adams Blvd

Good afternoon Ted,

[Quoted text hidden]



Time Extension for ZA-15227-O-PA6-1A.pdf

Edber Macedo <edber.macedo@lacity.org>

To: "Ted.Cordova" < Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 2:03 PM

Thank you. By any chance, was it your intention to send the attachment with your signature?

If so, I think there may have been a technical glitch. Your signature is not coming up. [Quoted text hidden]

Ted.Cordova < Ted.Cordova@ebresources.com>

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

Cc: "Ted.Cordova" < Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 2:36 PM

Yes. Thanks for letting me know. Let's try it one more time. See attached.



=

'Edber Macedo <edber.macedo@lacity.org>

To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Cc: "Ted.Cordova" < Ted.Cordova@ebresources.com>

Thank you, Ted. I see the signature now. I appreciate your timely attention to the paperwork.

[Quoted text hidden]

Ted.Cordova@ebresources.com> To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 2:55 PM

Thu, Apr 13, 2023 at 2:45 PM

No problem. Have a great day!

[Quoted text hidden]

Edber Macedo <edber.macedo@lacity.org> To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 20, 2023 at 10:32 AM

Good morning Ted,

I am following up on a new date for the PA6 appeal hearing. LACP wanted to propose hearing the item on Tuesday, June 20, 2023 at 4:30PM. Does this date work? Thank you.

Sincerely, Edber



Letter of Determination ZA-1959-15227(O)(PA6)

5 messages

Edber Macedo <edber.macedo@lacity.org>

Tue, Feb 28, 2023 at 4:17 PM

To: Edber Macedo <edber.macedo@lacity.org> Bcc: Richard Parks <richard@redeemercp.org>, Brittney Lu <brittney@redeemercp.org>, indiejean@att.net, juan.osornio@arb.ca.gov, Angela Johnson Meszaros <ameszaros@earthjustice.org>, Bhavna Shamasunder <bhavna@oxy.edu>, Jill Johnston <jillj@usc.edu>, greg.itmt@yahoo.com, Laura Meyers <lauramink@aol.com>, Hakeem Parke-Davis parke-Davis parke-Davis hakeem.parke-davis@lacity.org, Elliot Ling elliot.ling@gmail.com, "Liz S. Wang" lizsaura@gmail.com, Elliot Ling elliot.ling@gmail.com, "Liz S. Wang" hakeem.parke-davis@lacity.org, Elliot Ling elliot.ling@gmail.com, "Liz S. Wang" <a href="mailto:hakeem.parke miquel lopez <miglopez@ucla.edu>, marco@visionlosangeles.com, lisa.placenti@sbcglobal.net, lioninsf@gmail.com, wonderserra@gmail.com, jeffsafran@juno.com, ebarlow@stem-prep.org, binicfo@gmail.com, tesfaye81@yahoo.com, Estineh Mailian <estineh.mailian@lacity.org>, Juliet Oh <juliet.oh@lacity.org>, Connie Chauv <connie.chauv@lacity.org>, Lisa Webber < lisa.webber@lacity.org>, Paul Slye <pslye@pcms-llc.com>, tanishat@wana-la.org, yvanhorn@usc.edu, kamai@usc.edu, arborqui@usc.edu, Byron Chan <bchan@earthjustice.org>, Iruelas@earthjustice.org, Kartik Raj <krai@earthjustice.org>, Michelle Singh <michelle.singh@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, "Ted.Cordova" <ted.cordova@ebresources.com>, lzylstra@ebresources.com, jessicgs@usc.edu, UNNC@empowerla.org, president@unnc.org, laura.meyers@unnc.org, annelieseanderle@yahoo.com, yourworkingboy@everyactioncustom.com, kevin.blue@scene8.net. kblue87@yahoo.com, ijaynia@gmail.com, michael.jones.sc@gmail.com, amandahearle@gmail.com, frasvictoria@gmail.com, davidkim3@gmail.com, tnorris@socal.rr.com, ECNANDC@empowerla.org, brookelynbayles@gmail.com, Sarahi Ortega <sarahi.ortega@lacity.org>, Courtney Shum <courtney.shum@lacity.org>, Alexander Morales <alexander.morales@lacity.org>, Joe Luckey <joe.luckey@lacity.org>, Victoria Simon <victoria.simon@lacity.org>, Melissa Alofaituli <melissa.alofaituli@lacity.org>, Julie Ciardullo <julie.ciardullo@lacity.org>, Erica Blyther <erica.blyther@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Lawrence Salas <lawrence.salas@lacity.org>, Terrence Mann <tmann@agmd.gov>, "Tiffany, Gabe@DOC" <Gabe.Tiffany@conservation.ca.gov>, "Gill, Baldev@DOC" <Baldev.Gill@conservation.ca.gov>. Royce Long <royce.long@lacity.org>, "Holwager, Jeff" <Jeff.Holwager@fire.lacounty.gov>, Catherine Nuezca Gaba <catherine.nuezcagaba@lacity.org>, Jarlath Greaney <JGREANEY@aqmd.gov>, Paul Rodriguez <PRodriguez@aqmd.gov>, "Johnson, Wendy@DOC" <wendy.johnson@conservation.ca.gov>, "Smith, Courtney@DOC"

Good afternoon,

<Courtney.Smith@conservation.ca.gov>

Please see the attached Letter of Determination, which was released today, February 28, 2023. The determination is for the Murphy Drill Site located at 2126 West Adams Blvd, Los Angeles, CA 90018.

Should you have any questions regarding this matter, please contact me at this email address.

Thank you.

Sincerely. Edber



Edber Macedo (he/him) City Planner Los Angeles City Planning 200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198 Planning4LA.org













Address not found

Your message wasn't delivered to **yourworkingboy@ everyactioncustom.com** because the address couldn't be found, or is unable to receive mail.

The response from the remote server was:

550 5.0.1 Recipient rejected

Final-Recipient: rfc822; yourworkingboy@everyactioncustom.com

Action: failed Status: 5.0.1

Remote-MTA: dns; mxb.mailgun.org. (34.149.236.64, the server for the domain everyactioncustom.com.)

Diagnostic-Code: smtp; 550 5.0.1 Recipient rejected

Last-Attempt-Date: Tue, 28 Feb 2023 16:17:55 -0800 (PST)

----- Forwarded message -----

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

Cc:

Bcc: yourworkingboy@everyactioncustom.com

Date: Tue, 28 Feb 2023 16:17:15 -0800

Subject: Letter of Determination ZA-1959-15227(O)(PA6)

---- Message truncated -----

Mail Delivery System <Mailer-Daemon@usm64.siteground.biz>
To: UNNC+SRS=6hCmt=6Z=lacity.org=edber.macedo@empowerla.org

Tue, Feb 28, 2023 at 4:19 PM

This message was created automatically by mail delivery software.

A message that you sent could not be delivered to one or more of its recipients. This is a permanent error. The following address(es) failed:

dorit.dowler-guerrero@unnc.org

mailbox is full: retry timeout exceeded

Action: failed

Final-Recipient: rfc822;dorit.dowler-guerrero@unnc.org

Status: 5.0.0

noname

Jarlath Greaney <JGreaney@aqmd.gov> To: Edber Macedo <edber.macedo@lacity.org>

Hi Edber,

Thank you for forwarding me the Letter of Determination with the new and modified conditions. It is very thorough. I will reach out with any questions once I have had the chance to review it.

Regards,

Jarlath Greaney

Air Quality Inspector

Office of Compliance & Enforcement

South Coast Air Quality Management District

21865 Copley Dr., Diamond Bar, CA 91765

Office: (909) 396-2707 | Cell: (909) 470-0365

jgreaney@aqmd.gov

From: Edber Macedo <edber.macedo@lacity.org>
Sent: Tuesday, February 28, 2023 4:17 PM
To: Edber Macedo <edber.macedo@lacity.org>

Subject: Letter of Determination ZA-1959-15227(O)(PA6)

Good afternoon,

Please see the attached Letter of Determination, which was released today, February 28, 2023. The determination is for the Murphy Drill Site located at 2126 West Adams Blvd, Los Angeles, CA 90018.

Should you have any questions regarding this matter, please contact me at this email address.

Thank you.

Sincerely,

Edber

--

Edber Macedo (he/him)

City Planner
Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org

Edber Macedo <edber.macedo@lacity.org>
To: Jarlath Greaney <JGreaney@aqmd.gov>

Wed, Mar 1, 2023 at 9:03 AM

Thank you, Jarlath. Have a good rest of the week! [Quoted text hidden]



ZA-1959-15227-O-PA6

3 messages

Hill, Kathleen <Kathleen.Hill@alston.com>

Mon, Mar 13, 2023 at 3:47 PM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Hi Edber and Sarahi -

I am sending you this email on behalf of Mr. Ted Cordova at E&B Natural Resources. We need a copy of the original receipt that was submitted with the application. If you have access to the receipt please email and if you need to discuss, I can be reached at 213.709.1994.

Best,

Kathleen

Kathleen A. Hill Planning Director ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071 +1 213 576 1056 (O)

+1 213 709 1994 (M) Kathleen.Hill@alston.com

NOTICE: This e-mail message and all attachments may contain legally privileged and confidential information intended solely for the use of the addressee. If you are not the intended recipient, you are hereby notified that you may not read, copy, distribute or otherwise use this message or its attachments. If you have received this message in error, please notify the sender by email and delete all copies of the message immediately.

Edber Macedo <edber.macedo@lacity.org>
To: "Hill, Kathleen" <Kathleen.Hill@alston.com>
Cc: "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Mon, Mar 13, 2023 at 5:30 PM

Kathleen,

I've attached a copy of that original invoice. Let me know if you have additional questions.

- Edber

Hill, Kathleen <Kathleen.Hill@alston.com>

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

Cc: "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Hi Edber -

Thank you so much for sending the invoice. Have a great evening.

Kathleen

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

Sent: Monday, March 13, 2023 5:31 PM
To: Hill, Kathleen < Kathleen. Hill@alston.com>

Cc: sarahi.ortega@lacity.org

Subject: Re: ZA-1959-15227-O-PA6

EXTERNAL SENDER - Proceed with caution

[Quoted text hidden]

Mon, Mar 13, 2023 at 5:32 PM



Murphy Drill Site On-going Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Tue, Mar 14, 2023 at 10:36 AM

To: estineh.mailian@lacity.org

Cc: charlie.rausch@lacity.org, Edber Macedo <edber.macedo@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

brittney@redeemercp.org>

Good morning Chief Zoning Administrator Mailian,

Please find attached our letter outlining on-going nuisance operating hour violations at the Murphy Drill Site. Thank you for your consideration.

Kind regards, Richard Parks

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



7

2023-03-14 - Murphy Drill Site - Operating Hour Violations.pdf 172K

Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 14, 2023 at 2:21 PM

To: Richard Parks < richard@redeemercp.org>

Cc: estineh.mailian@lacity.org, charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

Verittney@redeemercp.org>

Good afternoon Richard,

Thank you for your message and corresponding attachment. My office will be looking into this right away.

Sincerely, Edber



March 14, 2023

Ms. Estineh Mailian, Chief Zoning Administrator Office of Zoning Administration 200 N. Spring Street, Room 763 Los Angeles, CA 90012-4801

Re: Update on the Murphy Drill Site, ZA-1959-15227 (O)(PA6)

Dear Chief Zoning Administrator Mailian,

On Friday, March 3, 2023, at 5:29am, E&B Natural Resources admitted a large delivery truck onto the Murphy Drill Site at 2126 W. Adams Blvd. in violation of its hours of operation (video attached here). E&B opened the gate for the vehicle's departure at 5:56am (video attached here). This is in clear violation of Condition 6, which prohibits operations on weekdays prior to 7am.

The box truck was outfitted for transporting and dispensing chemicals that are stored in the interior of the truck. The nozzles for off-loading chemicals are enclosed in a compartment visible under the truck bed between the two rear axles and the passenger compartment. The truck with its flammable materials hazard placards, was consistent with deliveries of toxic methanol, a potent solvent, that we have previously observed being made to the drill site by Dion & Sons.

E&B's disregard for its operating hours just a few days following release of the City's Murphy Drill Site Letter of Determination was not an isolated public nuisance. Since the public hearing held on April 28, 2022, residents have documented 17 instances of E&B admitting vehicles to the drill site in violation of its operating hours.

Date	Time	Description
05-03-2022	6:13am	Trash truck admitted onsite
05-24-2022	6:05am	Trash truck admitted onsite
05-31-2022	5:53am	Trash truck admitted onsite

4:31am	Flatbed truck admitted onsite	
6:11am	Trash truck admitted onsite	
6:43am	Yellow flatbed truck delivering methanol barrels admitted	
6:48am	White flammable materials box truck admitted	
6:23am	White pickup pulling long equipment trailer exits the site	
6:19am	Heavy-duty flatbed truck admitted onsite.	
6:51am	White flammable materials box truck admitted	
6:46am	White flammable materials box truck admitted	
6:45am	White flammable materials box truck admitted	
6:15am	White flammable materials box truck admitted	
5:35am	Large flatbed truck with crane departs site	
6:49am	White flammable materials box truck admitted	
6:27am	White flammable materials box truck admitted	
6:44am	White flammable materials box truck admitted	
	6:11am 6:43am 6:48am 6:23am 6:19am 6:51am 6:46am 6:45am 6:15am 5:35am 6:49am 6:27am	

Clearly, E&B Natural Resources is opening its gates without regard for the conditions imposed by the Zoning Administrator. Therefore, we urge you to strengthen nuisance protections for residents by limiting E&B's hours of operation to 9am to 5pm Monday through Friday. This would divert activities away from quiet hours and remove the cover of darkness for hazardous material deliveries. Thank you for your consideration.

Kind regards,

Richard Parks

Tihand Sanker

President



South LA Appeal - ZA-1959-15227-O-PA6-1A

5 messages

Stacy Munoz <stacy.munoz@lacity.org>

Mon, May 1, 2023 at 1:35 PM

To: Neverly Hill <neverly.hill@lacity.org>, Linda Lou linda.lou@lacity.org>, Planning APC South LA <apcsouthla@lacity.org> Cc: Courtney Shum <courtney.shum@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Hi! I have an appeal for the above mentioned case. We are requesting 6/20/2023 for our hearing date. Please see attached for:

- day sheet
- · draft hearing notice
- appeal package
- · letter of determination
- · justification
- original hearing notice dated 4/28/2022
- · Interested parties mailing list
- · Time extension

I have confirmed with BTC that this mailing package has been paid for. Please note, this is for a 1,500 foot mailing radius. Due to the size of the mailing, BTC will need to receive this request as soon as possible. I will coordinate with Edber to get the case file sent to your office. Please let me know if you have any questions. thx!



Stacy Muñoz

Pronouns: She, Her, Hers
Management Analyst
Los Angeles City Planning
200 N. Spring St., Room 763
Los Angeles, CA 90012

T: (213) 978-1354 | Planning4LA.org











Please note, I am out of the office every other Monday

8 attachments



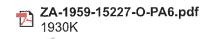
Justification and Reason Statement (1).pdf 621K

ZA-1959-15227-O-PA6-1A hearing time extension (1).pdf

Original Determination Letter (1).pdf 863K

ZA-1959-15227-O-PA6-1A DS.docx 29K

ZA-1959-15227-O-PA6-1A HN.pdf 1641K





ZA-1959-15227-O-PA6.docx 14K

Neverly Hill <neverly.hill@lacity.org>

Mon, May 1, 2023 at 2:08 PM

To: Stacy Munoz <stacy.munoz@lacity.org>

Cc: Linda Lou Linda Lou Linda Lou @lacity.org>, Planning APC South LA <apcsouthla@lacity.org>, Courtney Shum <courtney.shum@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Hello Stacy,

We are in receipt of your documents and scheduled this case for June 20, 23.

Regards, [Quoted text hidden]

--

Neverly Ann Hill Management Aide Los Angeles City Planning 200 N. Spring St., Room 272

Los Angeles, CA 90012

T: (818) 374-3384 | Planning4LA.org

Stacy Munoz <stacy.munoz@lacity.org>

Mon, May 1, 2023 at 2:08 PM

To: Neverly Hill <neverly.hill@lacity.org>

Cc: Linda Lou Linda.lou@lacity.org>, Planning APC South LA <apcsouthla@lacity.org>, Courtney Shum <courtney.shum@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Thank you!



Stacy Muñoz

Pronouns: She, Her, Hers
Management Analyst
Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

T: (213) 978-1354 | Planning4LA.org











Please note, I am out of the office every other Monday

[Quoted text hidden]

Charlie Rausch < charlie.rausch@lacity.org>

To: Stacy Munoz <stacy.munoz@lacity.org>

Cc: Neverly Hill <neverly.hill@lacity.org>, Linda Lou linda.lou@lacity.org>, Planning APC South LA <apcsouthla@lacity.org>, Courtney Shum <courtney.shum@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Hi all - just wanted to say for scheduling that this was a controversial case and the hearing went on for 2 to 3 hours. My hearings are longer because I don't put a time limit on speakers, But it still had a large number of speakers and probably

Mon, May 1, 2023 at 3:44 PM

will on the appeal because this is an and drilling case. Charlie [Quoted text hidden]

Neverly Hill <neverly.hill@lacity.org>

Tue, May 2, 2023 at 2:11 PM

To: Charlie Rausch <charlie.rausch@lacity.org>

Cc: Stacy Munoz <stacy.munoz@lacity.org>, Linda Lou linda.lou@lacity.org>, Planning APC South LA <apcsouthla@lacity.org>, Courtney Shum <courtney.shum@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Hello Charlie,

Thank you for the notification. [Quoted text hidden]



Time Extension for ZA-15227-O-PA6-1A // 2126 W Adams Blvd

10 messages

Edber Macedo <edber.macedo@lacity.org>
To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Wed, Apr 12, 2023 at 1:45 PM

Good afternoon Ted.

I am forwarding a 1-page document that memorializes the time extension for ZA-1959-15227-O-PA6-1A; the appeal case for the recent Murphy Drill Site determination.

I have completed and filled out the sheet and I'd like to respectfully request your signature under "Reason(s) for Request." Please let me know if you have any questions. Thank you.

Sincerely, Edber





Edber Macedo (he/him)

City Planner

Los Angeles City Planning

200 N. Spring St., Room 763 Los Angeles, CA 90012

T: (213) 978-1198| Planning4LA.org









Time Extension for ZA-15227-O-PA6-1A.pdf 55K

Ted.Cordova <Ted.Cordova@ebresources.com>
To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 1:45 PM

Hi Edber,

Do we incur any additional new costs associated with this? I assume no since no mailing has incurred?

Thanks,

Ted

[Quoted text hidden]

Edber Macedo <edber.macedo@lacity.org>
To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 1:51 PM

Good afternoon Ted,

I can confirm that E&B Natural Resources will not incur any additional new costs associated with the time extension because the mailing has not taken place. Let me know if you have questions.

Best, Edber [Quoted text hidden]

Ted.Cordova <Ted.Cordova@ebresources.com>

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

Thu, Apr 13, 2023 at 1:57 PM

Thank you for your confirmation.

[Quoted text hidden]

Ted.Cordova <Ted.Cordova@ebresources.com>
To: Edber Macedo <edber.macedo@lacity.org>

Thu, Apr 13, 2023 at 1:59 PM

Hi Edber.

We are happy to work with the City on a timeline extension per the City's request. Please see the attachment.

Best, Ted

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

Sent: Wednesday, April 12, 2023 1:45 PM

To: Ted.Cordova <Ted.Cordova@ebresources.com>

Subject: Time Extension for ZA-15227-O-PA6-1A // 2126 W Adams Blvd

Good afternoon Ted,

[Quoted text hidden]



Time Extension for ZA-15227-O-PA6-1A.pdf 55K

Edber Macedo <edber.macedo@lacity.org>

To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 2:03 PM

Thank you. By any chance, was it your intention to send the attachment with your signature?

If so, I think there may have been a technical glitch. Your signature is not coming up. [Quoted text hidden]

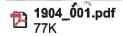
Ted.Cordova <Ted.Cordova@ebresources.com>

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

Cc: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 13, 2023 at 2:36 PM

Yes. Thanks for letting me know. Let's try it one more time. See attached.



Edber Macedo <edber.macedo@lacity.org>

To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Cc: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thank you, Ted. I see the signature now. I appreciate your timely attention to the paperwork.

[Quoted text hidden]

Ted.Cordova < Ted.Cordova@ebresources.com>

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

Thu, Apr 13, 2023 at 2:55 PM

Thu, Apr 13, 2023 at 2:45 PM

No problem. Have a great day!

[Quoted text hidden]

Edber Macedo <edber.macedo@lacity.org>
To: "Ted.Cordova" <Ted.Cordova@ebresources.com>

Thu, Apr 20, 2023 at 10:32 AM

Good morning Ted,

I am following up on a new date for the PA6 appeal hearing. LACP wanted to propose hearing the item on <u>Tuesday, June 20, 2023</u> at 4:30PM. Does this date work? Thank you.

Sincerely, Edber



Murphy Drill Site | Notice of Violation

3 messages

Richard Parks < richard@redeemercp.org>

Fri, Mar 17, 2023 at 7:41 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

Hi Edber,

I hope you are doing well. Late this morning residents reported pungent petroleum and chemical odors around the Murphy Drill Site at 2126 W. Adams Blvd. A South Coast Air Quality Management District (SCAQMD) inspector investigated several hours later. By the time he arrived, the odors had dissipated. However, he found two sources of fugitive emissions and issued a Notice of Violation (NOV).

The workover rig was on site today along with several heavy vehicles. The inspector said E&B described the activity as a "well rework". We will share copies of the NOV once it is published.

Kind regards, Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 21, 2023 at 3:34 PM

To: Richard Parks <richard@redeemercp.org>

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>

Good afternoon Richard,

Thank you for your message and for the information regarding the recent activities at 2126 West Adams Blvd.

Do you happen to know of the name of the SCAQMD inspector/personnel that visited the site? Thank you.

Sincerely,

Edber

[Quoted text hidden]

Richard Parks <richard@redeemercp.org>

Tue, Mar 21, 2023 at 3:55 PM

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

Cc: charlie.rausch@lacity.org, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu

 creation of the control of t

Hi Edber,

Yes, the inspector was Phillip Chen. His number is 909-436-5074. He is still writing up the Notice of Violation (NOV), but it should be available in the next day or two with a reference number.

The leak Mr. Chen found was so large, it exceeded the monitor's ability to read, causing the monitor to "flare out". This indicates that the leak was at least 100,000ppm or twice the explosive level of methane. SCAQMD has equipment that can get higher readings, however, Mr. Chen did not have a diluter with him at the time of the inspection.

Thank you again for your attention to this.

Richard





SCAQMD NOV P74382

Richard Parks < richard@redeemercp.org>

Thu, Mar 30, 2023 at 6:22 PM

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

Cc: Angela Johnson Meszaros <ameszaros@earthjustice.org>, Byron Chan <bchan@earthjustice.org>, Lupe Ruelas Iruelas@earthjustice.org>, Brittney Lu-Jones

Strittney@redeemercp.org>

Hi Edber,

Following up, here is the NOV from last weeks' SCAQMD investigation at the Murphy Drill Site. Once the Air District closes the NOV, we anticipate receiving the inspector's notes which will likely include more information about the intensity of the leaks that were found.

Richard

Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



2023-03-17_MDS AQMD_NOV P74382.pdf 28K

South Coast Air Quality Management District

NOV P74382

Run Date: 3/28/2023 08:59:20

Page 1 :

Company							
Facility:	E&B NATURAL RESOURCES MA						
Location Address: Mailing Address:	2126 W ADAMS, BLVD LOS ANGELES, CA 90018-2039 1608 NORRIS, RD BAKERSFIELD, CA 93308						
AIRS ID	1000 NONNO, NO BANERO LEE	, 04 00000					
Violation							
Notice Issued Date							
Violation Date:	3/17/2023						
Serve To:		CHRISTOPHER HASSLER					
Title: Issue By:		ENVIRONMENTAL COORDINATOR					
Assignment No.:	PHILIP CHEN (Team: Z) 2047163						
Equipment	Wasterwater holding tank T_3, FW						
Description:	,						
Violation:	Failure to properly maintain equipme	Failure to properly maintain equipment in good operating conditions at all times.					
Disposition							
Final Action Code:							
Achieved Date:	03/24/2023						
Due Date:							
Violation Days:	0						
Rule/Comm	ent						
203 (B) The	equipment or agricultural permit unit shal	not be operated contrary to the					
Emittent							
Follow-Up							
Status: INCOMI	Inspector ID: PC05	Inspection Date: 03/24/23 00:00	Number:				
Lap Sample	Numbers						
Device IDs.							
Inspector Co	omment						
INSPECTOR:		DATE:					
	signature	<i>DMD.</i>					
SUPERVISOR:		DATE:					
	signature						

User ID:

Iramos



Fwd: Appeal on ZA-1959-15227-O-PA6

3 messages

Sarahi Ortega <sarahi.ortega@lacity.org> To: Edber Macedo <edber.macedo@lacity.org> Wed, Mar 15, 2023 at 5:19 PM

Hi Edber.

Please see below and attachments. Let me know if we should discuss later.

-- Forwarded message --

From: Maxfield Vermy <maxfield.vermy@lacity.org>

Date: Wednesday, March 15, 2023

Subject: Appeal on ZA-1959-15227-O-PA6

To: Sarahi Ortega <sarahi.ortega@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>

Cc: Christina Toy <christina.toy-lee@lacity.org>, Stacy Munoz <stacy.munoz@lacity.org>, Heather Bleemers

<heather.bleemers@lacity.org>, Linda Lou linda.lou@lacity.org>, Jason Chan <jason.chan@lacity.org>, Maritza Przekop <maritza.przekop@lacity.org>, Connie Chauv <connie.chauv@lacity.org>

Afternoon,

The public counter received an appeal for part of the decision from the applicant on case no. ZA-1959-15227-O-PA6 (see attached). The project is located at 2126 W Adams Blvd. Received yesterday, 3/14/23 and today 3/15/23 is the last day to appeal. The appellant body is the City Planning Commission.



Maxfield Vermy

Pronouns: He, His, Him City Planning Associate

Los Angeles City Planning

201 N Figueroa St., 4th Floor Los Angeles, CA 90012

T: (213) 482-7340 | Planning4LA.org















Sarahí Ortega | She/Her

(Sa-ra-ee)

City Planning Associate

Los Angeles City Planning

200 N. Spring St., Room 763

Los Angeles, CA 90012

Planning4LA.org











E-NEWS

3 attachments



Appeal Form.pdf 74K



Justification and Reason Statement.pdf

Edber Macedo <edber.macedo@lacity.org>
To: Sarahi Ortega <sarahi.ortega@lacity.org>

Wed, Mar 15, 2023 at 5:22 PM

Thank you, Sarahi! [Quoted text hidden]

Maritza Przekop <maritza.przekop@lacity.org>

Wed, Mar 15, 2023 at 5:24 PM

To: Maxfield Vermy <maxfield.vermy@lacity.org>

Cc: Sarahi Ortega <sarahi.ortega@lacity.org>, Charlie Rausch <charlie.rausch@lacity.org>, Christina Toy <christina.toy-lee@lacity.org>, Stacy Munoz <stacy.munoz@lacity.org>, Heather Bleemers <heather.bleemers@lacity.org>, Linda Lou lou@lacity.org>, Jason Chan <jason.chan@lacity.org>, Connie Chauv <connie.chauv@lacity.org>, Edber Macedo <edber.macedo@lacity.org>

Thank you Maxfield. Adding Edber



Maritza Przekop Senior City Planner DSC: 201 N. Figueroa Street Los Angeles, CA 90012 Cell: (213) 317-4393









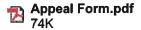


[Quoted text hidden]

3 attachments









Murphy Drill Site On-going Operating Hour Violations

2 messages

Richard Parks < richard@redeemercp.org>

Tue, Mar 14, 2023 at 10:36 AM

To: estineh.mailian@lacity.org

Cc: charlie.rausch@lacity.org, Edber Macedo <edber.macedo@lacity.org>, Hakeem Parke-Davis <hakeem.parke-davis@lacity.org>, Jennifer Tobkin <jennifer.tobkin@lacity.org>, Brittney Lu <bri>brittney@redeemercp.org>

Good morning Chief Zoning Administrator Mailian,

Please find attached our letter outlining on-going nuisance operating hour violations at the Murphy Drill Site. Thank you for your consideration.

Kind regards, Richard Parks

--

President Redeemer Community Partnership

PO BOX 180499 Los Angeles, CA 90018 (323) 285-1949 www.redeemercp.org



7

2023-03-14 - Murphy Drill Site - Operating Hour Violations.pdf 172K

Edber Macedo <edber.macedo@lacity.org>

Tue, Mar 14, 2023 at 2:21 PM

To: Richard Parks < richard@redeemercp.org>

Cc: estineh.mailian@lacity.org, charlie.rausch@lacity.org, Hakeem Parke-Davis hakeem.parke-davis@lacity.org, Jennifer Tobkin jennifer.tobkin@lacity.org, Brittney Lu hakeem.parke-davis@lacity.org, Jennifer Tobkin jennifer.tobkin@lacity.org, Brittney Lu hakeem.parke-davis@lacity.org, Brittney L

Good afternoon Richard,

Thank you for your message and corresponding attachment. My office will be looking into this right away.

Sincerely, Edber



ZA-1959-15227-O-PA6

3 messages

Hill, Kathleen <Kathleen.Hill@alston.com>

Mon, Mar 13, 2023 at 3:47 PM

To: "edber.macedo@lacity.org" <edber.macedo@lacity.org>, "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Hi Edber and Sarahi -

I am sending you this email on behalf of Mr. Ted Cordova at E&B Natural Resources. We need a copy of the original receipt that was submitted with the application. If you have access to the receipt please email and if you need to discuss, I can be reached at 213.709.1994.

Best,

Kathleen

Kathleen A. Hill Planning Director ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071 +1 213 576 1056 (O)

+1 213 709 1994 (M) Kathleen.Hill@alston.com

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Edber Macedo <edber.macedo@lacity.org>
To: "Hill, Kathleen" <Kathleen.Hill@alston.com>
Co: "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Mon, Mar 13, 2023 at 5:30 PM

Kathleen,

I've attached a copy of that original invoice. Let me know if you have additional questions.

- Edber

Hill, Kathleen <Kathleen.Hill@alston.com>

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

Cc: "sarahi.ortega@lacity.org" <sarahi.ortega@lacity.org>

Hi Edber -

Thank you so much for sending the invoice. Have a great evening.

Kathleen

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

Sent: Monday, March 13, 2023 5:31 PM
To: Hill, Kathleen < Kathleen. Hill@alston.com>

Cc: sarahi.ortega@lacity.org

Subject: Re: ZA-1959-15227-O-PA6

EXTERNAL SENDER - Proceed with caution

[Quoted text hidden]

Mon, Mar 13, 2023 at 5:32 PM



Determination for ZA-1959-15227-O-PA6

2 messages

Edber Macedo <edber.macedo@lacity.org> To: "Ted.Cordova" <Ted.Cordova@ebresources.com> Tue, Feb 28, 2023 at 3:06 PM

Good afternoon Ted.

Please find the determination letter for ZA-1959-15227-O-PA6 attached. A physical copy is being mailed to your firm's Long Beach address. Thank you.

Best, Edber



Edber Macedo (he/him) City Planner Los Angeles City Planning 200 N. Spring St., Room 763

T: (213) 978-1198| Planning4LA.org



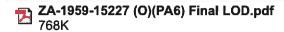


Los Angeles, CA 90012









Ted.Cordova < Ted.Cordova@ebresources.com> To: Edber Macedo <edber.macedo@lacity.org>

Thu, Mar 2, 2023 at 9:48 AM

Thank you Edber. I appreciate the email and heads up.

Best regards,

Ted

Murphy Drillsite Photo Index Map



Photo Location and Direction

0 100 Feet

15227

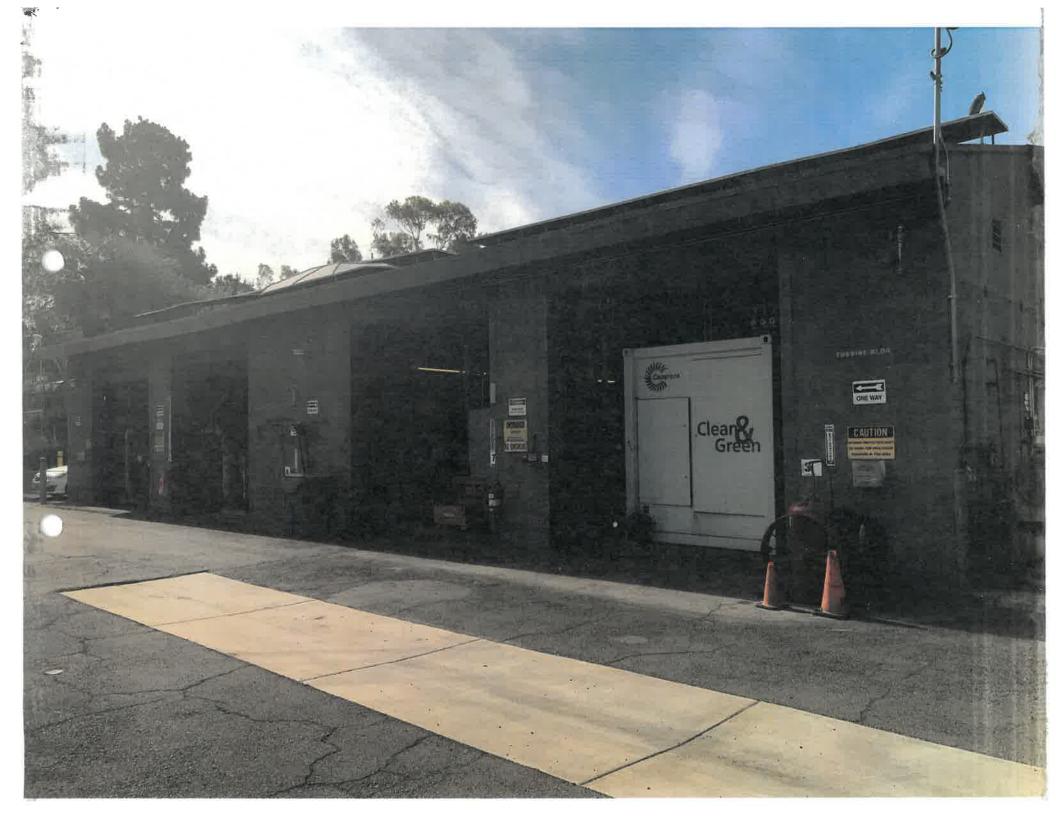














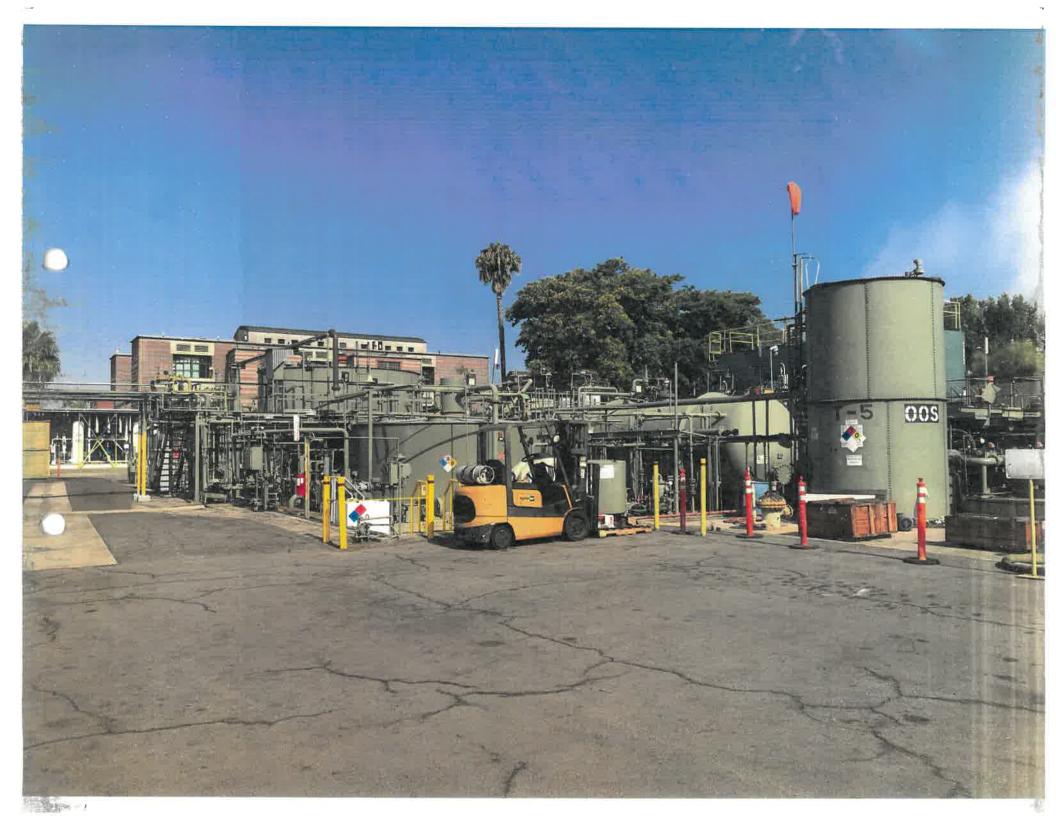














THE A









INITIAL SUBMISSIONS

The following submissions by the public are in compliance with the Commission Rules and Operating Procedures (ROPs), Rule 4.3a. Please note that "compliance" means that the submission complies with deadline, delivery method (hard copy and/or electronic) <u>AND</u> the number of copies. The Commission's ROPs can be accessed at http://planning.lacity.org, by selecting "Commissions & Hearings" and selecting the specific Commission.

The following submissions are not integrated or addressed in the Staff Report but <u>have</u> been distributed to the Commission.

Material which does not comply with the submission rules is not distributed to the Commission.

ENABLE BOOKMARKS ONLINE:

**If you are using Explorer, you will need to enable the Acrobat to see the bookmarks on the left side of the screen.

If you are using Chrome, the bookmarks are on the upper right-side of the screen. If you do not want to use the bookmarks, simply scroll through the file.

If you have any questions, please contact the Commission Office at (213) 978-1300.



September 25, 2023

VIA ELECTRONIC MAIL

South Los Angeles Area Planning Commission apcsouthla@lacity.org

Re: Comments Opposing Appeal Application

Case No.: ZA-1959-15227-O-PA6-1A

CEQA: ENV-2021-7445-CE 2126 West Adams Boulevard South Los Angeles Planning Area

Dear Honorable Commissioners:

Earthjustice submits these comments on behalf of Redeemer Community Partnership (Redeemer), a non-profit grassroots organization whose members strive to create and maintain a safe and healthy environment for families in South Los Angeles. Based on substantial evidence in the record and findings made by the Zoning Administrator, Redeemer respectfully requests that the Commission deny E&B Natural Resources Management Corporation's (E&B) appeal in its entirety.

The Commission should uphold the operating conditions set out in the Zoning Administrator's February 28, 2023, Approval of Plans – Determination of Methods and Conditions (Determination). E&B's claims that substantial evidence in the record does not support the conditions in the Determination are meritless. Substantial evidence shows that nuisances at the Murphy Drill Site negatively impact surrounding residents. Substantial evidence in the record also shows that the conditions in the Determination are necessary and appropriate to address these nuisances by improving accountability and reporting, implementing best oil drilling and production practices that currently exist at other drill sites, and increasing protections that preserve the health, safety, and welfare of neighboring communities.¹

The City's inherent police power provides the Zoning Administrator with broad authority to regulate land uses and implement reasonably necessary conditions to address nuisances. This power exists independently of any other state or local government agency with regulatory authority over the Murphy Drill Site, including the South Coast Air Quality Management District (Air District) and California Geologic Energy Management Division (CalGEM). After

¹ Office of Zoning Administration, *Plan Approval Determination for Murphy Drill Site*, Case No. ZA 1959-15227-O-PA6 (Feb. 28, 2023) at p. 1 (hereafter "Determination").

considering "the whole of the administrative record," the Zoning Administrator properly exercised the City's inherent police power to revise conditions at the Murphy Drill Site.

Ultimately, the Determination imposes necessary conditions on an intrinsically dangerous drill site in the middle of a dense residential neighborhood.³ The evidence in the record and findings made by the Zoning Administrator support the need for these conditions to protect the health and safety of families, and to modernize the City's oversight—and E&B's operation—of the Murphy Drill Site. The reversal or weakening of the Determination would unjustly expose nearby residents to continued health and safety risks. The lives of people living and working near the Murphy Drill Site depend on the Commission upholding the Determination's lawful conditions.

I. Standard of Review and Deference to the Zoning Administrator's Findings and Conclusions

On appeal, the Commission decides "whether the initial decision-maker erred or abused his or her discretion."⁴ In reviewing the Zoning Administrator's decision, the Commission must defer to the Zoning Administrator's underlying substantive factual findings and conclusions.⁵ Additionally, the burden is on E&B, as the appealing party, to show that the Zoning Administrator's decision was improper.

II. The Record Demonstrates that the Murphy Drill Site is a Nuisance

The Los Angeles Municipal Code defines "nuisance" as "any use of land that jeopardizes or adversely affects the public health, peace, or safety of persons residing or working on the premises or in the surrounding area." Public records, community complaints, and other evidence in the record demonstrate the long history of nuisances at the Murphy Drill Site. Accordingly, E&B's argument that the Zoning Administrator failed to establish a "demonstrated nuisance" at the Murphy Drill Site to justify "additional and modified conditions" is baseless and must be rejected.

² Determination at p. 1.

³ See City of Hermosa Beach, E&B Oil Drilling & Production Project Final Environmental Impact Report (June 2014) at p. 4.8-1("[O]il and gas facilities present potential hazards to employees and the public, depending on the type of facility, due to the presence of flammable gas, toxic gas, and gas processing by-products") (Ex. 1). All references to "Ex. __" are to the exhibits submitted concurrently with these comments, which are available for download here: https://earthjustice.sharefile.com/d-s86c6f4f23ec248e2aee4d690b2ee57c3.

⁴ Los Angeles Municipal Code (hereafter "LAMC") Section 12.24(I)(3).

⁵ See, e.g., Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova (2007) 40 Cal.4th 412, 435 (noting that when assessing abuse of discretion, greater deference is given to an agency's substantive factual conclusions).

⁶ LAMC Section 91.9002.

Community members have documented ongoing and frequent nuisances at the Murphy Drill Site. For example, in April, October, and November 2021, Redeemer submitted three letters to the Department of City Planning noting E&B's "troubled operation of the Murphy Drill Site." Among other nuisances, Redeemer detailed noise, odors and fumes, and disruptive truck traffic from the Murphy Drill Site that plague the community. In addition, Redeemer highlighted numerous violations by E&B and its contractors of regulatory requirements from the Air District, CalGEM, Los Angeles Fire Department, California Division of Occupational Safety and Health (CalOSHA), and California Highway Patrol. For example, on February 9, 2021, the Air District issued a Notice of Violation to E&B's contractor for degassing storage tanks at the Murphy Drill Site within 1,000 feet of two K-12 schools. In another example, CalOSHA fined E&B more than \$12,000 for several violations at the drill site that jeopardized the safety of workers.

These violations compound the inherent dangers from drill site operations that include exposure to toxic metals such as manganese and nickel. Manganese exposure is associated with neurological illnesses like Parkinson's disease, and nickel exposure is associated with lung cancer and cardiovascular disease. Such operations also compound the inherent safety risks from drill site operations that can reach far into surrounding communities. Maps from the Environmental Impact Report for E&B's proposed drill site in Hermosa Beach illustrate that reach as hazards from drill site operations, including "flame jets, explosions and flammable vapor clouds," threaten surrounding residents with injuries and fatalities.

-

⁷ Letter from Richard Parks, Redeemer Community Partnership, to Vince Bertoni, Dept. of City Planning (Oct. 15, 2021) at p.1 (Ex. 2).

⁸ Letter from Richard Parks to Vince Bertoni (Apr. 30, 2021) (Appx. 22 to Redeemer Comment); Letter from Parks to Bertoni (Oct. 15, 2021), *supra* note 7; Letter from Richard Parks to Estineh Mailian, Office of Zoning Administration (Nov. 8, 2021) (Ex. 3). All references to "Appx. __ to Redeemer Comment" are to the documents submitted with Redeemer Community Partnership's May 31, 2023, Comments in Case No. ZA-1959-15227-O-PA6.

⁹ Letter from Parks to Bertoni (Apr. 30, 2021), *supra* note 8; Letter from Parks to Bertoni (Oct. 15, 2021), *supra* note 7; Letter from Parks to Mailian (Nov. 8, 2021), *supra* note 8.

¹⁰ South Coast Air Quality Management District, Notice of Violation, No. P73309 (Violation on Dec. 17, 2020) (Ex. 4).

¹¹ CalOSHA, Citation and Notification of Penalty to E&B Natural Resources Management Corp. (Issued on Oct. 19, 2021) at p. 17 (Appx. 71 to Redeemer Comment).

¹² Arbor J.L. Quist et al., *Metal Exposures in Residents Living Near an Urban Oil Drilling Site in Los Angeles, California*, Environ. Sci. Technol. (2022), https://doi.org/10.1021/acs.est.2c04926 at 15986 (Ex. 5).

¹³ *See, e.g.*, City of Hermosa Beach, E&B Oil Drilling & Production Project Final Environmental Impact Report, *supra* note 3, at p. 4.8-73, fig. 4.8-6; *Id.* at pp. 4.8-66 to 4.8-67.

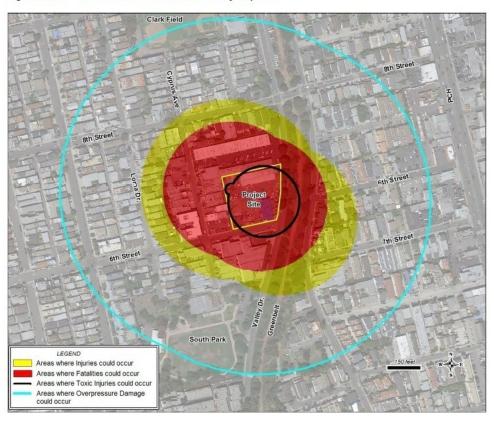


Figure 4.8-6 Areas That Could Be Potentially Exposed

In response to the violations and nuisances at the Murphy Drill Site that harm community members and threaten dangerous operational upsets, the Zoning Administrator initiated a compliance review process of existing conditions under former Municipal Code Section 13.01(H) and current plan approvals. ¹⁴ As part of that process, the Zoning Administrator held a public hearing on April 28, 2022, to review E&B's compliance with existing conditions. ¹⁵ Over the course of several hours, the Zoning Administrator listened to extensive public testimony about disruptive and dangerous conditions both inherent to oil drilling and exacerbated by E&B's unsafe operation of the Murphy Drill Site. ¹⁶ For example, local residents described smelling noxious odors and hearing deafening noise from the Murphy Drill Site that impact their health and wellbeing. ¹⁷ Louis Elfman, who lives only a few doors away from the drill site, reported experiencing "endless smells, fumes, and headache-causing agents" from the drill site, including a strong "methane" smell. ¹⁸ Asegedich Lemma, who lives less than four hundred feet from the drill site, shared that the noise from E&B's operations is so loud that it sounds as if the drill site is "almost in my living room." ¹⁹

¹⁴ Determination at p. 16.

¹⁵ *Id.* at p. 17.

¹⁶ *Id.* at pp. 25–34.

¹⁷ See, e.g., id. at pp. 27, 31.

¹⁸ See id. at pp. 29–32.

¹⁹ See id.

The Zoning Administrator also received documented evidence of nuisances. For example, the Zoning Administrator watched a video from February 2022 of two 5,000-gallon tanker trunks arriving at the Murphy Drill Site to deliver dangerous acids and toxic chemicals for unpermitted well maintenance work.²⁰ Such unpermitted work defies the Zoning Administrator's oversight of the drill site and increases risks to community health from acids and toxic chemicals that include carcinogens, respiratory triggers, and endocrine disruptors.²¹ In another example, the Zoning Administrator viewed photos of a wall blackened by exhaust stacks venting pollution from methane gas burned in the drill site's microturbines located just 150 feet from a nearby apartment.²² Burning methane gas releases fine particulate matter, nitrogen oxides, and volatile organic compounds that can cause cardiovascular and respiratory disease.²³ The pollution from burning methane in the microturbines at the Murphy Drill Site adds to the well-documented release of hazardous air emissions inherent to oil drilling operations.²⁴

Hakeem Parke-Davis, the representative from Council District 10, spoke at the hearing and acknowledged that "community groups have reached out to the Council Office . . . due to health complications with fugitive odors, noise impacts from alarms, and unmanned operations" at the drill site.²⁵ To address these impacts, Mr. Parke-Davis supported the community's proposal to modernize conditions at the Murphy Drill Site to at least: (1) enclose the drill site, (2) permit the use of only electric rigs for workovers, and (3) prohibit the burning of methane.

At the conclusion of the hearing, the Zoning Administrator left the record open for an additional 30 days to provide E&B and other interested persons with an opportunity to review residents' concerns and submit comments.²⁶ Redeemer submitted comments on May 31, 2022, highlighting the harmful impacts from nuisances at the Murphy Drill Site to surrounding residents. In its comments, Redeemer cited health studies that illuminate and confirm the lived experiences shared by many community members at the hearing. For example, in *Respiratory Health, Pulmonary Function and Local Engagement in Urban Communities Near Oil Development*,

²⁰ See Determination at p. 26.

²¹ CalGEM, Chemical Use Report for Murphy Drill Site for 2019-2020 (Appx. 19 to Redeemer Comment); Heather B. Patisaul & Heather B. Adewale, Long-term Effects of Environmental Endocrine Disruptors on Reproductive Physiology and Behavior, Frontiers in Behavioral Neuroscience (2009), https://doi.org/10.3389/neuro.08.010.2009 (Appx. 34 to Redeemer Comment).

²² See Determination at p. 26.

²³ Jonathan J. Buonocore et al., *A Decade of the U.S. Energy Mix Transitioning Away from Coal: Historical Reconstruction of the Reductions in the Public Health Burden of Energy,* 16 Environ. Research Letters (2021), https://doi.org/10.1088/1748-9326/abe74c at p. 2 (Appx. 32 to Redeemer Comment).

²⁴ See Diana A. Garcia-Gonzalez et al., Distance Decay Gradients in Hazardous Air Pollution Concentrations Around Oil and Natural Gas Facilities in the City of Los Angeles: A Pilot Study, 173 Environ. Research (2019), https://doi.org/10.1016/j.envres.2019.03.027 (Ex. 6).

²⁵ Determination at p. 34.

²⁶ Id.

researchers found that residents living less than 1,000 meters from the Murphy Drill Site were significantly more likely to report symptoms including wheezing, sore throat, chest tightness, dizziness, and eye or nose irritation than people living near an idle drill site in Los Angeles.²⁷ Residents closest to the Murphy Drill Site experienced a significant overall reduction in lung function and capacity—a greater decrease than what national studies have shown for exposure to secondhand tobacco smoke and living near freeways.²⁸

In another study, *Cardiovascular Health and Proximity to Urban Oil Drilling in Los Angeles*, *California*, published after Redeemer submitted its comments, researchers found that living near the Murphy Drill Site is associated with higher blood pressure.²⁹ According to the researchers, "residents living closer to the [Murphy Drill] site have, on average, higher blood pressure and face higher risk of stage 1 hypertension compared with residents that live farther away."³⁰ Researchers observed a significant decrease in the odds of hypertension among participants for every 100 meters increase in distance away from the Murphy Drill Site.³¹

In addition to citing health studies in its comments, Redeemer also highlighted daily and ongoing nuisances at the Murphy Drill Site that harm nearby residents. For example, Redeemer detailed that the odor counteractant that E&B sprays during operations to mask odors from the Murphy Drill Site "has elements that are toxic." ³² The counteractant contains nonylphenol ethoxylate, which is an endocrine disrupting chemical. ³³ Endocrine disruptors can cause significant harm to the reproductive system, including infertility, cancer, and malformations in children before and after birth. ³⁴ At the April 28 hearing, Jen Blue reported that she had suffered two miscarriages and knew five neighbors who had miscarriages while living within a one-mile radius of the Murphy Drill Site. ³⁵

²⁷ Jill Johnston et al., *Respiratory Health, Pulmonary Function and Local Engagement in Urban Communities Near Oil Development*, 197 Environ. Res. (2021), https://doi.org/10.1016/j.envres.2021.111088 at p. 5 (Study authors refer to the Murphy Drill Site as the "Jefferson Park drill site") (Appx. 6 to Redeemer Comment).

²⁸ *Id*.

²⁹ Jill Johnston et al., *Cardiovascular Health and Proximity to Urban Oil Drilling in Los Angeles, California*, J Expo Sci Environ Epidemiol (2023), https://doi.org/10.1038/s41370-023-00589-z (Study authors refer to the Murphy Drill Site as the "well site with 28 wells that was actively producing during the entire study period") (Ex. 7).

³⁰ *Id.* at p. 4.

³¹ *Id*.

³² Determination at p. 41.

³³ See Chemco Products Company, Odor Control Jasmine Safety Data Sheet, Product Code 11432 (revised Feb. 18, 2020) (Appx. 28 to Redeemer Comment); Xiaoya Ji, et al., A Comparison of Endocrine Disruption Potential of Nonylphenol Ethoxylate, Vanillin Ethoxylate, 4-n-nonylphenol and Vanillin In Vitro, 175 Ecotoxicology and Environmental Safety (2019), https://doi.org/10.1016/j.ecoenv.2019.03.060 (Appx. 29 to Redeemer Comment).

³⁴ See Patisaul & Adewale, Long-term Effects of Environmental Endocrine Disruptors on Reproductive Physiology and Behavior, supra note 21.

³⁵ Determination at pp. 30–31.

Since the hearing and during the pendency of this appeal, E&B has continued to demonstrate that it is an irresponsible and unsafe operator by violating existing operating conditions at the Murphy Drill Site. For example, such conditions prohibit heavy-duty trucks from entering the drill site before 7:00 am. Nevertheless, Redeemer documented and shared with the Zoning Administrator more than 30 instances since April 28, 2022, where E&B admitted heavy-duty trucks, including those typically used to deliver hazardous materials, onto the Murphy Drill Site before 7:00 am.³⁶ The early morning engine noise, back-up alarms, flashing lights, and work activity from these trucks are a nuisance. E&B's utter disregard for even the most basic protections in its existing operating conditions demonstrates the urgent need for the community protections outlined in the Determination.

Further, E&B has continued to accumulate Notices of Violation from regulatory agencies. On March 17, 2023, the Air District issued a Notice of Violation to E&B for failing to properly maintain its wastewater holding tank in "good operating condition." On September 8, 2022, CalGEM issued a Notice of Violation to E&B for failing to conduct a fluid level test on an idle oil well at the Murphy Drill Site.³⁸

The record shows that the Murphy Drill Site has been, and continues to be, a nuisance that adversely impacts nearby residents. By arguing that the Murphy Drill Site is not a nuisance, E&B asks the Commission to ignore the testimony from surrounding residents and disregard the rest of the extensive record demonstrating the harm from E&B's operations. But the record speaks for itself and supports the Zoning Administrator's determination that the Murphy Drill Site is a nuisance that demands immediate action.

III. The Record Supports the Zoning Administrator's Revisions to Existing Operating Conditions to Address Nuisances at the Murphy Drill Site

The Zoning Administrator added and modified conditions at the Murphy Drill Site after considering evidence in the record, including testimony, photographs, letters, videos, and research and reports from City, regional, and state agencies about nuisances at the drill site. Contrary to E&B's assertion that the Determination is arbitrary and unsupported by substantial evidence, ³⁹ the Zoning Administrator issued a Determination steeped in the evidence of E&B's nuisances. Based on the evidence, the Zoning Administrator tailored conditions in the

³⁶ Email from Richard Parks to Charles Rausch, Office of Zoning Administration (Sept. 18, 2023) (Ex. 8); Letter from Richard Parks to Charles Rausch (Sept. 13, 2023) (Ex. 9); see also Email from Richard Parks to Edber Macedo, Office of Zoning Administration (Apr. 17, 2023) (Ex. 10).

³⁷ South Coast Air Quality Management District, Notice of Violation, No. P74382 (Violation on Mar. 17, 2023) (Ex. 11).

³⁸ CalGEM, Notice of Violation, Compliance I.D. 12281399 (Issued on Sep. 8, 2022) (referencing Well 21 at the Murphy Drill Site, API No. 0403720955) (Ex. 12).

³⁹ E&B Natural Resources Management Corp., CEQA Appeal Justification for Approval of Plans (March 15, 2023) at p. 1 (hereafter "E&B Appeal").

Determination to address nuisances at the Murphy Drill Site and finally provide some protection to community members from E&B's harmful operations.

A. The Zoning Administrator Properly Determined that Revised Conditions are Necessary to Protect Residents Surrounding the Murphy Drill Site

The Zoning Administrator made explicit findings supporting the need for additional and modified conditions to address a variety of nuisances at the Murphy Drill Site. The Zoning Administrator found that these conditions would provide some relief from the drill site's adverse impacts. Specifically, the Zoning Administrator found that, "the installation of enclosures, structures and equipment such as fence line monitoring devices, vapor recovery equipment and a containment structure [] are necessary for reducing and neutralizing noxious odors, noise and fluid spills from the site." Based on such findings, the Zoning Administrator appropriately exercised the City's inherent police power by revising conditions at the Murphy Drill Site to protect the health, safety, and welfare of surrounding residents.

i. Obnoxious Odors and Fumes

As testimony and complaints from community members show, and Air District investigators confirm, odors and fumes are clearly detectable in the neighborhood surrounding the Murphy Drill Site. These odors and fumes emanate from crude oil, chemicals, methane burned in the microturbines, well maintenance operations, and diesel exhaust from equipment and trucks at the drill site.⁴¹

After determining that such odors and fumes are a nuisance, the Zoning Administrator properly revised conditions and explained how such conditions address impacts to surrounding residents. For example, the Zoning Administrator revised conditions to require the permanent enclosure of the drill site's equipment "consistent with other drill sites in the area." The Zoning Administrator explained that "the construction of the containment structure is necessary to block odors from the oil and natural gas which is extracted on the site from migrating to adjacent residential and medical uses." Evidence in the record demonstrates that the City has required such enclosures at drill sites in wealthier, whiter communities surrounding drill sites in West Los Angeles for decades. For example, the Plan Approvals for the Pico Doheny Drill Site, located at 9101 West Pico Boulevard, and the Packard

⁴⁰ Determination at p. 66.

⁴¹ See, e.g., Redeemer Community Partnership, Comments on Approval of Plans for Case No. ZA-1959-15227-O-PA6 (May 31, 2022) at pp. 7–12.

⁴² Determination at p. 70.

⁴³ *Id.* at pp. 66–67.

Drill Site, located at 5733 West Pico Boulevard, have mandated enclosures since 1965 and 1966, respectively.⁴⁴

The Zoning Administrator further required E&B to install an enhanced vapor recovery system on top of the enclosure. The Zoning Administrator explained that, along with the enclosure, "enhanced vapor recovery systems will reduce the amount of noxious odors from the site." Enclosing drill sites and installing vapor recovery systems are not novel approaches to address odors and fumes from oil operations in Los Angeles. For example, the 2018 Plan Approval for the Jefferson Drill Site required the installation of a vapor recovery system based on the recommendation from the City's former Petroleum Administrator that such a system can mitigate "odor emissions, so that they do not escape into the atmosphere."

Based on evidence in the record of the harmful impacts of burning methane coupled with "numerous documented complaints" ⁴⁹ about the resulting odors, the Zoning Administrator also banned the importation of methane into the Murphy Drill Site. ⁵⁰ E&B burns methane in the microturbines at the Murphy Drill Site. The methane comes from two sources. The first source is methane that is a by-product of oil drilling operations at the Murphy Drill Site. ⁵¹ The second source is methane that E&B buys from SoCalGas. ⁵² The Murphy Drill Site is connected to the Los Angeles Department of Water and Power's grid, yet E&B buys and burns methane from SoCalGas in its microturbines to power the drill site. ⁵³ SoCalGas delivers this methane to the

⁴⁴ Office of Zoning Administration, *Plan Approval Determination for Pico Doheny Drill Site*, Case No. ZA 17683 (Aug. 17, 1965) at p. 3 (noting the derrick and other equipment shall be within an "enclosed structure having the appearance of a high-rise building") (Appx. 46 to Redeemer Comment); Office of Zoning Administration, *Plan Approval Determination for Packard Drill Site*, Case No. ZA 18129 (June 9, 1966) at p. 2 ("[A]ll oil drilling operations . . . in connection with the actual drilling of the proposed oil wells and the later cleaning out and servicing of the oil wells on the site shall be performed entirely within an attractively designed and maintained soundproofed building resembling a modern high-rise office building") (Ex. 13).

⁴⁵ Determination at p. 10.

⁴⁶ *Id.* at p. 61.

⁴⁷ Office of Zoning Administration, *Plan Approval Determination for Jefferson Drill Site*, Case No. ZA-1965-17528-(PA5) (Oct. 13, 2017) at p. 4 (Appx. 1 to Redeemer Comment). The Plan Approval for the Jefferson Drill Site was sustained on appeal and adopted in 2018. South Los Angeles Area Planning Commission, *Letter of Determination*, Case No. ZA-1965-17528-PA5-1A (Jan. 25, 2018) (Ex. 14).

⁴⁸ Office of Petroleum and Natural Gas Administration & Safety, Jefferson Drill Site Evaluation Report (Sept. 22, 2017) at p. 16 (Appx. 1 to Redeemer Comment).

⁴⁹ Determination at p. 53.

⁵⁰ *Id.* at p. 11.

⁵¹ *Id.* at p. 53.

⁵² Letter from Charles Page, SoCalGas, to Samuel Layton, E&B Natural Resources Management Corp. (Aug. 18, 2020) (Ex. 15); Letter from Louis P. Zylstra, E&B Natural Resources Management Corp., to Estineh Mailian, Office of Zoning Administration (July 30, 2021) at p. 3 (Ex. 16).

⁵³ Letter from Zylstra to Mailian (July 30, 2021), *supra* note 52, at p. 3.

Murphy Drill Site through a high-pressure gas pipeline.⁵⁴ By banning the importation of methane into the Murphy Drill Site, the Zoning Administrator aimed to limit E&B's use of its polluting microturbines to power the drill site.⁵⁵ Burning methane in these microturbines releases noxious odors, fumes, and exhaust⁵⁶ that can cause cardiovascular and respiratory disease.⁵⁷ E&B contracts with SoCalGas to deliver 7,862 cubic feet/hour of methane to the Murphy Drill Site.⁵⁸ Burning this amount of methane can produce up to 3,709 metric tons of carbon dioxide a year, or the equivalent annual emissions from 824 passenger vehicles.⁵⁹

Importing methane also threatens the safety of surrounding residents. High-pressure gas pipelines are prone to leaks that can result in devastating fires and explosions. From 2010 to 2021, incidents from leaking gas pipelines killed 122 people and injured another 603 in the United States. The Zoning Administrator's ban on importing methane into the Murphy Drill Site properly attempts to mitigate these significant hazards by preventing the drill site "from becoming a repository for natural gas produced by other drill sites [that is] burned in the midst of this residential community." ⁶¹

The Zoning Administrator further addressed the odors and fumes from the Murphy Drill Site by prohibiting the use of diesel equipment, including any drilling, workover, and maintenance rig at the drill site.⁶² Evidence in the record documents the well-known health hazards caused by exposure to exhaust from diesel equipment including coughs, headaches, lightheadedness, and nausea.⁶³ Long-term exposure to diesel exhaust poses the highest cancer risk of any toxic air contaminant evaluated by the California Office of Environmental Health Hazard Assessment.⁶⁴

⁵⁴ Letter from Page to Layton (Aug. 18, 2020), *supra* note 52.

⁵⁵ See Determination at p. 62.

⁵⁶ See id.; Id. at p. 54.

⁵⁷ Buonocore et al., A Decade of the U.S. Energy Mix Transitioning Away from Coal: Historical Reconstruction of the Reductions in the Public Health Burden of Energy, supra note 23, at p. 2.

⁵⁸ Letter from Page to Layton (Aug. 18, 2020), supra note 52.

⁵⁹ United States Environmental Protection Agency, *Greenhouse Gas Emissions from a Typical Passenger Vehicle* (Aug. 28, 2023), https://www.epa.gov/greenvehicles/greenhouse-gas-emissions-typical-passenger-vehicle (Ex. 17).

⁶⁰ Tony Dutzik et al., *Methane Gas Leaks: Frequent Leaks are Resulting in Death, Injury and Other Damage to Our Health and Environment* (June 2022), https://publicinterestnetwork.org/wp-content/uploads/2022/08/Methane-Gas-Leaks-2022-1.pdf at p. 10 (Ex. 18).

⁶¹ Board of Public Works Office of Petroleum & Natural Gas Administration and Safety, Report on Council Motion 17-0149-S1 (Apr. 30, 2020), https://clkrep.lacity.org/onlinedocs/2017/17-0149-51 misc 1 05-08-2020.pdf at 0667 at p. 2 (Appx. 55 to Redeemer Comment).

⁶² Determination at p. 11.

⁶³ Cal. Office of Environ. Health Hazard Assessment and Am. Lung Ass'n of California, Health Effects of Diesel Exhaust Fact Sheet (May 21, 2001), https://oehha.ca.gov/media/downloads/calenviroscreen/indicators/diesel4-02.pdf at pp. 2-3 (Appx. 15 to Redeemer Comment).

⁶⁴ Id.

E&B argues that prohibiting the use of diesel equipment is infeasible because "commercially available [electric] workover and maintenance rigs do not exist." And that without such rigs, E&B cannot "conduct maintenance, repairs, or well-servicing on its wells." But whether electric workover and maintenance rigs are commercially available does not make the prohibition of diesel equipment infeasible because evidence in the record confirms that electric drillings rigs are available and can be used for workover and maintenance. In fact, such a rig has been used at the Pico Doheny Drill Site for decades. The April 5, 2000, Plan Approval for the Pico Doheny Drill Site required that "all drilling and reworking operations at the site shall at all times be carried on only by electrical power." In response, the operator replaced its diesel workover rig with an electric-powered, mobile, and enclosed drilling rig that "would be used for both workover and redrilling operations. Accordingly, the Plan Approval for the Pico Doheny Drill Site mandates that "after the modernized [electric drilling rig] is operational, no diesel or portable workover rig shall be utilized at any time."

E&B acknowledged the use and capabilities of this electric drilling rig in its May 31, 2022, letter to Zoning Administrator Charles Rausch. In the letter, E&B recognized that the electric drilling rig at the Pico Doheny Drill Site "can also be used to perform workover activities." The proven availability and use of electric drilling rigs for workovers supports the prohibition of diesel equipment at the Murphy Drill Site.

ii. Harmful Noise Levels

Noise from the Murphy Drill Site regularly exceeds safe levels for nearby residents. The noise emanates from the drilling, maintenance, equipment, and other operations at the drill site, as detailed by documents and testimony received by the Zoning Administrator. The noise frustrates residents' peaceful enjoyment of their homes and impacts their physical and mental wellbeing. At the April 28 hearing, Richard Parks shared that "there are no quiet hours" because E&B "operate[s] heavy equipment past 9 p.m. which violates operational hours."

⁶⁵ E&B Natural Resources Management Corp., Appendix to CEQA Appeal Justification for Approval of Plans for Murphy Site (Mar. 15, 2023) at p. 3.

⁶⁶ E&B Appeal at p. 3.

⁶⁷ Office of Zoning Administration, *Plan Approval Determination for Pico Doheny Drill Site*, Case No. ZA 17683 (PAD) (Apr. 5, 2000) at p. 11 (Ex. 19).

⁶⁸ Office of Zoning Administration, Staff Report for Pico Doheny Drill Site, Case No. ZA 17683(PAD) (Nov. 18, 1999) at pp. 1, 5 (Ex. 20); see also Exhibit "A" – Statement in Support of Application, Case No. ZA 17683 (June 21, 2005) pp. 2-3 (noting that the electric drilling rig "would be mobile and would be used for routine well maintenance and redrilling operations") (Ex. 21).

⁶⁹ Plan Approval Determination for Pico Doheny Drill Site, Case No. ZA 17683 (PAD) (Apr. 5, 2000), supra note 67, at p. 12.

⁷⁰ Letter from Louis P. Zylstra to Charles Rausch (May 31, 2022) at pp. 3-4.

⁷¹ Determination at p. 27.

Another resident described "noise and humming overnight" forcing neighbors "to wear ear plugs at night because of the constant noise." ⁷²

Evidence in the record confirms the excessive noise from the Murphy Drill Site. A noise study conducted in 2006 measured noise at the Murphy Drill Site during periods without drilling activities. The study found that the average daytime ambient noise level at the Murphy Drill Site ranges from 67.3 to 72.2 dBA with an average nighttime range of 67.3 to 68.3 dBA. Exposure to noise levels ranging from 32 to 75 dBA is associated with sleep disruption, poor academic performance, and hypertension. Exposure to nighttime noise levels as low as 32 dBA can cause a reduction in sleep period, awakenings, and other secondary effects such as inability to concentrate and irritability. According to the noise study, the average nighttime noise level at the Murphy Drill Site far exceeds the threshold of 32 dBA for experiencing health impacts from noise.

After determining that noise at the Murphy Drill Site is a nuisance, the Zoning Administrator properly revised conditions and explained how such conditions address impacts to surrounding residents. New conditions require that "all drilling, workover, or maintenance rig operations at the site shall at all times be carried on only by electric power" to reduce noise. This condition mirrors a nearly identical condition in the 2009 Plan Approval for the Packard Drill Site where the Zoning Administrator determined "to reduce the amount of noise emanating from the site, all drilling and reworking operations at the site shall be carried on only by electrical power." The Determination for the Murphy Drill Site also requires E&B to measure and monitor noise levels during all drilling, workover or maintenance activity, and publicize the results to surrounding residents. This requirement to measure, monitor, and publicize noise levels is critical to address excessive noise at the Murphy Drill Site and stems from the Zoning Administrator's inherent police power to monitor and mitigate impacts to surrounding communities from harmful drilling operations. As the Zoning Administrator explained:

In this manner, the operator will be encouraged to follow the City's Noise Ordinance as closely as possible and will result in the public being made aware of

⁷² Determination at p. 31.

⁷³ Behrens & Associates, Ambient Noise Survey, Drilling Impact Evaluation & Mitigation Report (Feb. 15, 2006) (Appx. 41 to Redeemer Comment).

⁷⁴ *Id.* at p. 7.

⁷⁵ Meleah D. Boyle et al., *A Pilot Study to Assess Residential Noise Exposure Near Natural Gas Compressor Stations*, 12 PLOS ONE (2017), https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0174310 at p. 10 (Appx. 40 to Redeemer Comment).

⁷⁶ *Id.* at p. 11.

⁷⁷ Determination at p. 11.

⁷⁸ Office of Zoning Administration, *Plan Approval for Packard Drill Site*, Case No. ZA 18129(PA2) and Yard Case No. 14549 (Mar. 17, 2009) at p. 3 (Appx. 57 to Redeemer Comment).

⁷⁹ Determination at p. 5.

the actual noise levels instead of attempting to guess at the levels. The intent is to bring down the level of noise from drilling and maintenance operations as this is a residential neighborhood with a number of medical, school and library structures in the immediate area.⁸⁰

The Zoning Administrator also addressed disruptive noise levels by requiring E&B to enclose the Murphy Drill Site.⁸¹ The Zoning Administrator explained that enclosing the drill site would "reduce impacts on nearby residences from any noise which is generated by the operation of the extraction of oil or the co-generation of electricity from the burning of natural gas." Indeed, E&B acknowledged in its appeal that the enclosure "is an effective sound barrier." Thus, the record supports the Zoning Administrator's findings that excessive noise at the Murphy Drill Site negatively impacts nearby residents and the revised operating conditions are necessary to provide relief.

B. The Zoning Administrator Properly Determined that Revised Conditions to Improve Accountability and Reporting are Necessary based on E&B's Non-Compliant Operation of the Murphy Drill Site

The Zoning Administrator also revised conditions to address concerns documented in the record about E&B's irresponsible operation of the Murphy Drill Site and the lack of communication from E&B to community members. As one resident described at the April 28 hearing, "E&B is not a responsible operator. Most of it happens behind closed doors. Neighbors receive no notice of the activity. There is lack of transparent communication with the operator, and no warning or information from the operator when tanker trucks arrive." Based on such testimony, the Zoning Administrator added a condition to require E&B to create a landing page for the public on its website "with information on monthly reporting on noise and emission levels at the drill site, current and planned operations, emergency contact information, emergency reporting instructions, and real time fence line air monitoring data." Public distribution of such information helps to address E&B's lack of public accountability and provides protection to community members who are otherwise left in the dark. As the Zoning Administrator explained, "this is a best practice that strengthens transparency between the operator, the City and those that reside within the vicinity of the drill site."

⁸⁰ Determination at p. 58.

⁸¹ *Id*.at pp. 9–10.

⁸² *Id.* at p. 67.

⁸³ E&B Natural Resources Management Corp., Appendix to CEQA Appeal Justification for Approval of Plans, *supra* note 65, at p. 1.

⁸⁴ Determination at p. 32.

⁸⁵ *Id.* at p. 8.

⁸⁶ *Id.* at p. 60.

The Zoning Administrator also added a condition that requires E&B to staff the drill site 24 hours a day, seven days a week with a minimum of two personnel. The Zoning Administrator added the condition after reviewing "letters to the Department and photographs showing the on-site staff leaving the site during their shift." According to the Zoning Administrator, "for an otherwise industrial facility in a residentially zoned and built community there should be personnel on the site, 24-hours a day for both security and to monitor on-site equipment." The Zoning Administrator cited the mercaptan leak at the Rancho Park Drill Site to highlight the importance of always having trained staff at a drill site to monitor and control equipment. Protecting residents from such harmful events is central to the Zoning Administrator's regulatory power. The record supports the Zoning Administrator's findings that such protection is absent from the Murphy Drill Site and that minimum staffing requirements are proper and critical to monitor the site.

* * *

For the reasons detailed above, Redeemer respectfully requests that the Commission deny E&B's appeal and uphold the Determination. Substantial evidence in the record supports the additional and modified conditions in the Determination that are essential to protect the health, safety, and welfare of community members surrounding the Murphy Drill Site.

Respectfully submitted,

Byron Chan, Senior Attorney

Angela Johnson Meszaros, Managing Attorney

cc: Edber Macedo, City Planning Associate (edber.macedo@lacity.org)

⁸⁷ Determination at p. 10.

⁸⁸ *Id.* at p. 55.

⁸⁹ Id.

⁹⁰ *Id.*at pp. 55–56.

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April 19, 2023

Mayor Karen Bass City Attorney Hydee Feldstein Soto Vincent P. Bertoni, Director of Planning

Subject: Murphy Drill Site and Case ZA-1959-15227-O-PA6

Dear Mayor Bass, City Attorney Soto, and Planning Director Bertoni:

At its April 13, 2023, General Board meeting the Del Rey Neighborhood Council (DRNC) approved the following motion regarding the Murphy Drill Site in West Adams and above-referenced case:

"Whereas, the DRNC supports the City of Los Angeles ordinance approved in December 2022 to phase out oil drilling operations within City limits; however, the phaseout of oil drilling in the City will follow an amortization schedule whereby some active drilling sites will remain in operation for up to 20 years;

Whereas, there is a long history of discriminatory and disparate treatment in oil drilling requirements whereby some communities are provided with greater environmental protections from pollution and noise compared to other lower income communities which are not;

Whereas, the Murphy Drill site in West Adams is an example of a community that has been exposed to toxic fumes and noise pollution that could be partially abated through facility enclosure and electrification of workover rigs and onsite power supply, as has been done in wealthier communities, but have not been:

Whereas, on February 28, 2023, the City's Planning Department issued a Letter of Determination on Case No. ZA-1959-15227-O-PA6 requiring additional and modified conditions for the continued operation of the Murphy Oil Drill Site "to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood";

Whereas, on March 13, 2023, E & B Natural Resources the operator of the Murphy Drill site filed an appeal to the City's Letter of Determination;

Therefore, the DRNC calls on the City of Los Angeles to uphold its February 28 Letter of Determination."

Pursuant to the above motion, the DRNC implores you and the South Los Angeles Area Planning Commission to uphold the February 28 Letter of Determination and implement its requirements as soon as possible for the health and welfare of the West Adams community.

Regards,

Matt Wersinger

President

Del Rey Neighborhood Council

Matt.Wersinger@delreync.org

Cc: Nancy Sutley, Deputy Mayor for Energy and Sustainability

Jessica Brown, Deputy City Attorney

Lisa M. Webber, Deputy Director of Planning

South LA Area Planning Commission

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September 25, 2023

South Los Angeles Area Planning Commission Constituent Service Center, Room B 8475 South Vermont Avenue Los Angeles, CA 90044 apcsouthla@lacity.org edber.macedo@lacity.org

Re: Supplemental Submission in support of Appeal of Approval of Plans for 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA ("Murphy Site") (Case No. ZA-1959-15227-O- PA6, issued February 28, 2023 ("Plan Approval"))

Dear Commissioners:

We represent E&B Natural Resources Management and its affiliated companies, including Elysium Natural Resources, LLC (collectively, "E&B") regarding E&B's Appeal of the Zoning Administrator's ("ZA") issuance of additional and modified conditions in the Plan Approval for E&B's operations at its Murphy Site located at 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA ("Murphy Site") under Case No. ZA-1959-15227-O-PA6, circulated on February 28, 2023 ("Plan Approval").

E&B holds fee and leasehold interests in mineral rights that are under active operation within the City. E&B and its affiliate companies are also operators of oil and gas facilities located within the City. E&B collectively produces over 8,000 barrels of oil per day for Californians including Los Angelenos. Over 250 staff work for E&B, many in the Los Angeles area. These operations, including those at the Murphy Site, have been the subject of extensive permitting and zoning approvals by the City, and they are also subject to rigorous oversight by the California Geologic Energy Management Division ("CalGEM"), the state agency in charge of regulating oil and gas production.

E&B took over the operations at the Murphy Site in October 2019 from Sentinel Peak Resources, and the site has existed since the 1960s "in accordance with numerous prior Zoning Administrator approvals." (Exhibit G, 9/14/2007 Letter of Determination re ZA-1959-15227-O-PA(4).) The Murphy facility is located in the vicinity of West Adams

Alston & Bird LLP www.alston.com

Boulevard and Western Avenue, and it extracts from 960 acres of mineral interests. In addition to owning some mineral rights directly in fee, E&B also leases mineral rights from mineral interest owners and holds mineral interests in fee and leasehold for the Murphy facility.



E&B was directed by the City to file a Plan Approval application for the Murphy Site in April 2022, despite a failure to establish documented evidence showing continued violation of any condition (as required under Condition No. 16 in the prior Plan Approval), no nuisance determination, and no proposals by E&B for any projects. The ZA held a public hearing regarding the Plan Approval application for the Murphy Site on April 28, 2022, during which a group of organized opposition made three common demands: (1) permanently enclose the drill site; (2) only allow the use of an electric workover rig; and (3) ban the burning of methane gas on site. Thereafter, E&B submitted a comment letter to the ZA on May 31, 2022, responding to the public's demands. Namely, E&B explained that the enclosure of the production facilities is not considered a best practice, has not been proven to be safer, and is not commonly used in the design of an oil and gas production site. Moreover, E&B explained, as did the Petroleum Administrator in a letter submitted to the ZA, the lack of feasibility for an electric workover rig and the removal of methane gas at the site, as methane gas can be burned responsibly, and natural gas is commonly and safely used in households.

On February 28, 2023, the ZA proceeded to circulate the Plan Approval for the Murphy Site with additional and modified conditions that require E&B to, among other things, require all "drilling, workover, or maintenance rig operations at the site shall at all

South Los Angeles Area Planning Commission September 25, 2023 Page 3

times be carried on only by means of electric power[,]" enclose the Murphy Site with a 45-foot wall, prohibit "maintenance acidizing...on an existing production or injection well until a determination has been made by the [ZA]," and require "[a]ny methane used for the micro-turbines must come from methane produced as a by product from oil extraction."

E&B timely filed its appeal to additional and modified conditions contained in the Plan Approval on March 13, 2023, specifically as to conditions Nos. 5, 7, 16, 17, 19, 21, 22, 23, 24, 25, 26, 27, 28, 32, and 33. The hearing for E&B's appeal to the additional and modified conditions to the Plan Approval is scheduled for public hearing on October 3, 2023. E&B now submits this letter ahead of the October 3, 2023 public hearing in order to supplement E&B's appeal as to the additional and modified conditions issued in the Plan Approval.

By imposing certain additional and modified conditions (i.e., Conditions Nos. 17, 25, and 26) on E&B's oil and gas operations at the Murphy Site, the Plan Approval improperly expanded the ZA's authority so as to invade the province of the State Oil & Gas Supervisor's unilateral authority to make decisions regarding oil and gas production methods in each case throughout the state. As shown by a recent California Supreme Court decision, several of the Plan Approval's additional and modified conditions affecting the methods of E&B's oil and gas production are preempted by state law. (*Chevron U.S.A. Inc. v. Cty. of Monterey* (2023) 15 Cal.5th 135 ("*County of Monterey*").) The California Supreme Court has stated that the State Legislature has delegated exclusive authority to the State Oil and Gas Supervisor to determine what methods of oil production are appropriate in each case. However, the ZA's Plan Approval modifies and adds conditions, thus unlawfully dictating the methods for E&B's oil and gas production at the Murphy Site. Without input from the State Oil and Gas Supervisor, the added and modified conditions to oil and gas operations at the Murphy Site are certainly preempted under the California Supreme Court's recent decision.

Moreover, the additional and modified conditions contained in the Plan Approval for the Murphy Site are unduly oppressive and interfere with E&B's vested rights by revoking, modifying, and imposing new and modified conditions for the operations at the Murphy Site, and represent an abuse of the City and ZA's discretion. The additional and modified conditions contained in the Plan Approval are also invalid for the reasons stated explained in E&B's initial appeal of the Plan Approval, which are hereby incorporated by reference. (See Exhibit A.)

I. The Murphy Site is Already Subject to Existing Conditions in Previous Plan Approvals.

As the Plan Approval states, the Murphy Site has existed and operated subject to previously approved plan approvals with existing conditions. (Letter of Determination, at

pp. 1-2 ["The conditions of approval from Case No. ZA-1959-15227(O)(PA4) are in standard type and font. The revisions to the Conditions of Approval are in bold print and underlined or strikethrough"]; see also Exhibit F, ZA-1959-15227-O-PA3, dated March 13, 2006.) The referenced ZA-1959-15227-O-PA4, which was issued on September 14, 2007, set forth the conditions at the Murphy Site and has since been further modified by ZA-1959-15227-O-PA5, which was issued on June 16, 2016, for which E&B has reasonably relied upon to conduct its oil and gas operations at the Murphy Site. (Exhibit H, 6/16/2016 Letter of Determination re ZA-1959-15227-O-PA5.) These conditions have vested, absent a showing of a compelling reason to revoke or modify them. For example, Condition No. 16 listed in ZA-1959-15227-O-PA5 specifically provides the basis for which the ZA may seek to amend or supplement the existing conditions to the Murphy Site:

At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application

But despite these existing conditions and the City's failure to establish a "continued violation of any condition...resulting in an unreasonable level of disruption or interference with peaceful enjoyment of the adjoining and neighboring properties" (id.), the Plan Approval argues that:

"[B]ased on the whole of the administrative record, additional and modified conditions are required for the continued operation of the existing Murphy Oil Drill Site to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood. The additional conditions are also necessary to afford greater protection to surrounding property and to address the nuisance conditions which are demonstrated by substantial evidence."

(Letter of Determination, at p. 1.) However, and as set forth below, no nuisance determination has been reached, and the City is creating new and modified conditions without going through the proper process and is disregarding well-established law in doing so. Nevertheless, and in the interest of reaching compromise with the City regarding the operations at the Murphy Site, E&B has proposed revisions to the additional and modified conditions inserted in the Plan Approval. (Exhibit B, E&B's Proposed Revisions to the Plan Approval.) For example, E&B has proposed the following language for the Plan Approval's modifications to Condition No.5:

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> 5. That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drill site, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees. and overflow parking for The Athletic Club. Parking on the east side of the drill-site, outside of the enclosed area, shall not be used for heavy trucking operations or staging or storage of any. All such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities. There shall be no access to the site from 27th Street except for maintenance of the landscaped area fronting on 27th Street and south of the wall separating the landscaped area from the production site. Additionally, there shall be no parking of any vehicles by workers or equipment servicing the site on 27th Street. Except for access by Southern California Gas to service or operate its equipment, aAny access for the maintenance of any infrastructure for the production site such as existing pipes in front of said wall shall be from the existing gate at the parking area on the easterly side of the facility with access from West Adams Boulevard only.

Additionally, as for the proposed requirement included in Condition No. 7, E&B proposes:

- 7. MODIFIED: Until the sound barrier walls are a permanent 45foot high structure is built, in accordance with Condition No.
 23, and, afterward for any portion of a workover, maintenance
 or drilling rig which exceeds 45 feet in height, the applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:
 - a. Erect 12-foot high acoustical panels approximately 100 feet in length on a 30-foot high blanket sound wall on the north side and either the west or _, south and east side of the any workover, maintenance or drilling rig at the Murphy drilling site (west, south and east side

property line), with the layout and wall lengths determined after the drilling, workover or maintenance rig and equipment positioning has been established. Install the acoustical panels sound wall as close as possible to the drilling, workover or maintenance rig and associated equipment with no gaps or openings in the walls. The acoustical panels sound wall material should have a minimum STC rating of 25....

....

i. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling, workover or maintenance activity to ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may shall be considered during all drilling, workover or maintenance activity. The operator shall make known through both regular mail and website communication the results of such measurement and monitoring to abutting property owners and residents as required by Condition No. 21 elsewhere in this Determination.

As for Condition No. 25, E&B made the following revisions to reach a compromise:

25. All drilling, workover, or maintenance rig operations at the site shall at all times be carried on only by electric power. All other operations on the site shall at all times be carried on only by means of electric power. Power may be generated on site by solar voltaic generators or natural gas powered micro-turbines placed within sound and odor proofed buildings or structures. Any methane used for the micro-turbines must come from methane produced as a by product from oil extraction. Methane may not be imported to power micro-turbines form off-site sources nor may it be pumped to the site from other oil production sites in the area.

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The operator shall limit any microturbine PM emissions to 0,0035 lbs/mmbtu, or an equivalent reduction in the number and/or size of the microturbines, in order to reduce emissions to below local thresholds. The applicant will be subject to SCAQMD permit conditions that limit emissions from the set of microturbines, not just individual permit units.

For Condition No. 26, E&B also proposes to revise the condition as follows in an effort to reach a compromise:

26. The use of diesel fueled equipment, including any drilling, workover or maintenance rig, is prohibited is prohibited on the site nor may any backup generators use diesel fuel. Backup generators shall either be solar powered, be plugged into the electric power grid or powered by the on-site microturbines. Diesel powered vehicles are permitted on the site. Said vehicles, however, may not idle when on-site and must shut off their engines until they are to be moved off of the site or to another position on the site.

(See Exhibit B, E&B's Proposed Revisions to the Plan Approval.) As evidenced above, E&B is willing to engage the City in settlement discussions regarding the additional and modified conditions included in the Plan Approval. Additionally, and as addressed below, the additional and modified conditions included in the Plan Approval are contrary to well-established law and should not be approved as currently drafted.

II. E&B's Proposed Revisions to the Conditions Sufficiently Address Any Noise Concerns at the Murphy Site.

Despite no determination of public nuisance or showing of a continued violation of an existing condition, the City seeks to impose new and modified conditions to the Murphy Site to address noise from its operations. Namely, the City is now requiring E&B to erect a 30-foot sound wall *after* the 45-foot-high structure is built for any workover, maintenance or drilling rig that exceeds 45 feet in height. But the City has not identified or provided any evidence that E&B is not in compliance with the applicable noise requirements. In addition, E&B contracted with Behrens and Associates, Inc. to complete a noise study at the Murphy Site to address any concerns, and a report of the same was received by E&B on September 15, 2023. (Exhibit D, 9/15/2023 Murphy Site Operational Noise Assessment.)

For its assessment, Behrens and Associates, Inc. completed a noise modeling with the use of three-dimensional computer noise modeling software, and assumptions were made to ensure a conservative assessment. (*Id.* at p. 4.) As the report states, "[t]he production facility operational noise model was created to predict the constant, steady-state noise levels at the Murphy site and adjacent surroundings. The equipment sound data utilized in the modeling were derived from field measured sound levels on May 16, 2023." (*Ibid.*) Further, the report provides that the "modeling includes existing masonry walls installed at the site. Noise sources included in the modeling were compressors and other production equipment[,]" as shown below and "[w]orkover rigs were not included in the modeling." (*Ibid.*) ¹

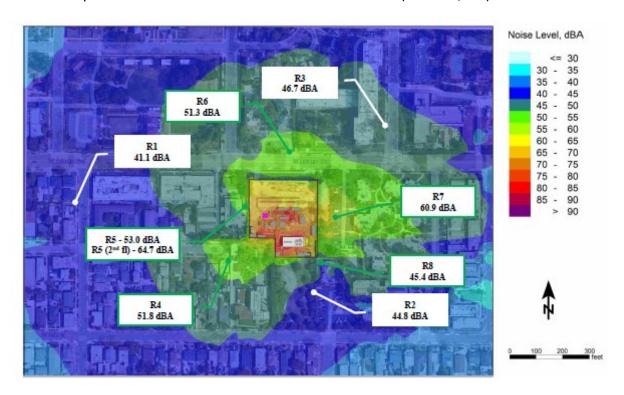


Eight receptor locations were selected to "evaluate the noise impact of the operations at and nearby the site[,]" and a sound level survey surrounding the site was conducted from May 2, 2023 through May 5, 2023. (*Id.* at p. 5.)



¹ Additional workover rig noise was included in a separate modeling scenario. (*Id.* at p. 14.)

Additionally, the following diagram demonstrates the sound levels measured in decibels with a weighting system developed to measure sound in a way that more closely mimics the ear's natural sensitivity relative to frequency so that the instrument is less sensitive to noise at frequencies where the human ear is less sensitive and more sensitive at frequencies where the human ear is more sensitive. (*Id.* at 10, 19.)



Behrens and Associates, Inc. concluded that loudest "predicted noise level will be up to 64.7 dBA" at receptor 5, which is located on the second floor. (*Id.* at p. 11.) The noise modeling also considered proposed conditions. Specifically, the report included modeling for if "a total of 220 linear feet of 20-foot-high, Sound Transmission Class (STC) 32 Acoustic Barrier Wall installed" on both the west and east sides of the site. (*Id.* at 8.)



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In doing so, "[t]he operational noise modeling results with the proposed sound barrier walls indicate that the predicted noise level will be up to 58.2 dBA." (*Id.* at p. 11.) And regardless of the conditions in the noise modeling, and "[b]ased on the previously measured existing neighborhood sound level survey data..., the facility operation does not generate significant noise impact at the evaluated receptor locations." (*Id.* at p. 12.)

A workover rig noise model was also created to evaluate two scenarios: (1) the workover rig operation without any mitigation, and (2) a workover rig operation with mitigations similar to the revisions that E&B proposes to the conditions in the Plan Approval (see Section I). These mitigations include a 20-foot sound barrier wall installed on the western property line, a 32-foot sound barrier wall installed along the eastern property line, and 12-foot acoustical panels installed on the west and north sides of the workover rig. (Exhibit D, 9/15/2023 Murphy Production Site Operation Noise Assessment, p. 14.)



During unmitigated workover rig operations, the report determined that the "predicted noise levels will up to 74.9 dBA" and up to "64.5 dba...for mitigated scenario" representing "[a]n approximate 17 dB noise reduction...due to the presence of the sound barrier walls." (*Id.* at p. 15.)

As demonstrated by E&B's noise study, its proposed revisions to the conditions in the Plan Approval will be effective in reducing the noise at the Murphy Site. (See *id.*) At the same time, the City has not engaged in similar, sufficient efforts to determine a need for the conditions it intends to impose on E&B, marking them as arbitrary conditions

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without any justification. Therefore, E&B's proposed conditions, as supported by the noise study, should be required and implemented by the City.

III. E&B Cannot Feasibly Operate at the Murphy Site with an Electric Workover Rig.

E&B's operations require rigs that run on diesel fuel in order to operate at economically feasible levels. Despite Condition Nos. 25 and 26's requirement that the Murphy Site use electric drilling, workover, and maintenance rigs, commercially available workover and maintenance rigs do not exist. The Petroleum Administrator "mentioned that the use of workover rigs is not entirely feasible at this time[,]" and also stated that "electric workover rigs meant for rework and well abandonment projects are not commercially available in the United States." (Letter of Determination, p. 37.) Instead, "the Petroleum Administrator recommended that the Associate Zoning Administrator consider equipment and engine requirements for the Murphy Site[,]" and further recommended "specific tiers for all diesel powered equipment and engines that would be a California Air Resources Board (CARB) verified engine (CARB Tier 3) and would have an engine equivalent to a vehicle (or equipment) that uses Environmental Protection Agency (EPA) Tier 4 Engine Standards." (*Ibid.*) Indeed, E&B utilizes the best available technology for its workover rig at the Murphy Site, which is equipped with advanced CARB certified engines (Tier 4), which have the cleanest engines on the market.

The Letter of Determination and the City's findings incorrectly state that E&B's Packard Site has been required to have an electric workover rig. (*Id.* at p. 63.) Likewise, the electric workover rig requirement for E&B's Jefferson Site was contested and never implemented because the site is transitioning to other uses. In addition, the City may have been referencing (incorrectly) the rig at the PCEC site on Pico Boulevard, but that is a drilling rig (not a workover or maintenance rig) which is permanently installed and hardwired to the electric grid and cannot be moved to be utilized elsewhere.

Condition No. 26 fails to recognize the current state of technology as presented by the City's own Petroleum Administrator and effectively terminates or severely curtails operations at the Murphy site. In addition, this condition prohibits the idling of diesel-powered vehicles, and this condition should clarify that a vehicle is not "idle" if it is being used for operations, such as powering equipment on the site. As such, Condition No. 26 imposes requirements on E&B that renders the operations uneconomically viable and imposes a de facto ban on the E&B's oil and gas operations at the Murphy Site.

IV. Maintenance Acidizing Is a Normal and Necessary Part of E&B's Operations at the Murphy Site.

E&B's operations at the Murphy Site require the use of injection wells. The injection wells are used as part of a waterflood secondary recovery. Waterflooding

involves the injection of water to increase the mobilization of oil within the underlying reservoirs. Waterflooding is necessary for the economic recovery of oil from these formations, and the injection wells are used to re-inject the wastewater that is produced with the recoverable oil. Without the re-injection of this wastewater, E&B's operations at the Murphy Site would quickly become uneconomic as there is no other feasible method of disposing of this wastewater. (Exhibit C, Zylstra Decl at ¶¶ 9-11.) Likewise, injection wells can become clogged or less effective with time. Routine maintenance such as acidizing is needed to maintain an injection well's ability to inject fluids. Importantly, cleaning a well is a safe, best practice that should be encouraged for optimal operations.

By requiring the ZA's approval for routine cleaning of the wells at the Murphy Site, as proposed by Condition No. 17, the Plan Approval creates a de facto ban on acidizing, and E&B's oil production operations could quickly become uneconomic and not viable for continued use, especially in the event of E&B faces any prolonged delays for approval by the ZA.²

V. The Prohibition of Imported Methane to the Murphy Site Diminishes E&B's Ability to Effectively Operate.

E&B's microturbines at the Murphy Site are essential to E&B's oil and gas production, and without microturbines, operations would be effectively terminated and severely curtailed. At the Murphy Site, natural gas is burned with the use of existing microturbines on site. The microturbines are used for onsite power generation. And indeed, microturbines are best available technology, ultra-low emissions, pre-certified by the California Air Resources Board, and are supported by the South Coast Air Quality Management District. As stated by the SCAQMD, microturbines have many environmental advantages including being an alternative to flaring, reduced emissions on site, and decreasing the demand on the local power grid (i.e., reducing blackouts).

Condition No. 25 creates a prohibition on imported methane or natural gas to power the microturbines at the Murphy Site.³ Yet, the City has provided no legal basis for prohibiting the use of natural gas from an offsite provider, something virtually every other commercial, industrial, and residential use is allowed to do. The findings refer to

² E&B has filed a lawsuit challenging the City's new oil and gas ordinance and has appealed the ZA's Interpretation regarding "maintenance" activities ("ZAI"). This condition should conform to the results of those legal proceedings. Moreover, E&B appealed the ZAI. (See Exhibit E, (9/5/2023 Supplemental Submission in Support of Appeal of ZA-2022-8997-ZAI-1A - Zoning Administrator's Interpretation of Well Maintenance.)

³ This condition also improperly prohibits electric drilling, workover and maintenance rigs, and the opposition to Condition 26 also applies to this condition.

the prior operator's request for a flare as evidence of excess natural gas on the site, but circumstances have changed as the City is well aware, as it approved the installation of the SoCalGas pipeline to serve the microturbines. The operation of E&B's microturbines and source of methane and natural gas for those operations are severely limited by the imposed conditions in the Plan Approval, which in turn, will reduce the production of oil and economic viability of the operations at the Murphy Site.

VI. The County of Monterey Opinion Confirms that the ZA's Additional and Modified Conditions to the Plan Approval are Preempted by State Law and the Public Resources Code.

Certain conditions listed in the Plan Approval addressing operational capacity, including Conditions Nos. 17, 25, and 26, are preempted by state law. The California Constitution provides that a "county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations *not in conflict with general laws*." (Cal. Const., Art. XI, § 7, emphasis added.) "If otherwise valid local legislation conflicts with state law, it is preempted by such law and is void." (*County of Monterey, supra*, 15 Cal.5th at p. 142, citing *Sherwin-Williams Co. v. City of Los Angeles* (1993) 4 Cal.4th 893, 897.)

The recent decision by the California Supreme Court in *County of Monterey* specifically held that local governments are preempted from interfering in the regulation of oil and gas operations. In particular, the California Supreme Court held that Monterey County was preempted under state law from prohibiting new drilling and banning the injection and impoundment of oil and gas wastewater.

In this decision, the Supreme Court first interpreted section 3106⁴ of the Public Resources Code, stating that it "directs the [State Oil and Gas] supervisor to administer the state's regulations in a way that serves the dual purpose of *ensuring* the state has adequate oil and gas resources, while protecting the environment." (*County of Monterey, supra*, 15 Cal.5th at p. 144, emphasis added.) Further, section 3106 sets a "mandate that the state 'shall' supervise oil operation in a way that permits well operators to 'utilize *all* methods and practices' the [State Oil and Gas] supervisor has approved[.]" (*Id.* at p. 145, emphasis in original.)

⁴ Section 3106 states, in part, that the "Supervisor shall ... supervise the drilling, operation, <u>maintenance</u>, and abandonment of wells **so as to permit owners or operators of wells to utilize all methods and practices known to the oil industry for the purpose of <u>increasing the ultimate recovery of underground hydrocarbons</u> and which, in the opinion of the supervisor, are suitable for this purpose in each proposed case." (Pub. Res. Code §3106, subd. (b), emphasis added.)**

Applying this standard, California's highest court held that section 3106 "implicitly limits a local entity's authority by expressly providing that the state supervisor shall approve all production methods that are, 'in the opinion of the supervisor,' 'suitable for th[e] purpose' 'of increasing the ultimate recovery of underground hydrocarbons.'" (*Id.* at p. 149, quoting Pub. Resources Code § 3106, subd. (b).) "*By banning some oil production methods altogether*, [the local ordinance] takes those methods off the table and *nullifies the supervisor's express, statutorily conferred authority to decide what oil production methods are suitable in each case."* (*Ibid.*, emphasis added.) In other words, "[b]y providing that certain oil production methods may *never* be used by anyone, anywhere, in the County, [the local ordinance] nullifies—and therefore contradicts—section 3106's mandate that the state 'shall' supervise oil operation in a way that permits well operators to 'utilize *all* methods and practices' the supervisor has approved." (*Id.* at p. 145, emphasis in original.)

A. The Additional and Modified Conditions Frustrate the Supervisor's Duty to Determine the Methods and Means for Oil Production in Each Case.

Under the new legal framework set forward by the Supreme Court in the *County of Monterey* decision, the City simply cannot interfere with the State's regulation of methods of oil production. Even still, the additions and modifications to the Plan Approval attempt to seize authority away from the Supervisor to "supervise oil operation in a way that permits well operators [like E&B] to 'utilize all methods and practices' the supervisor has approved[]" (*Id.* at p. 145, emphasis in original). Like the ban attempted by the County of Monterey, the additional and modified conditions similarly ban pre-approved methods for oil production at the Murphy Site and attempt to occupy regulatory space subject to already existing California law specifically prescribing the State Oil and Gas Supervisor with statutorily, unabated authority to decide the means for oil and gas production methods in each case.

1. The Supervisor Has Not Determined That E&B Must Discontinue the Use of Diesel and to Utilize Purely Electric Power to Conduct Oil Operations.

For instance, Condition Nos. 25 and 26, as drafted, require E&B to use an electric workover rig (which does not commercially exist) and give up the use of diesel fuel, which is not economically feasible and creates a de facto ban on E&B's oil and gas production at the Murphy Site. E&B currently utilizes advanced CARB certified engines (Tier 4), which have the cleanest engines on the market, and the Supervisor has never disallowed their use or required electric workover rigs instead. (See *ibid*.) But as written, the ZA, not the Supervisor, dictates how E&B may operate and extract oil at the Murphy Site contrary to well-established law.

2. The Supervisor Has Not Determined That E&B Must Discontinue the Importation of Methane Gas to Source Energy for Oil Operations, and it is SCAQMD's Statutorily Conferred Duty to Regulate Air Quality Concerns.

Condition No. 25 of the Plan Approval further stymies the Supervisor's statutorily conferred authority to supervise the methods and means of oil and gas production in each case because it bars the importation of methane gas and discontinues an important method for sourcing energy to run operations at the Murphy Site. In doing so, the ZA invades the Supervisor's unilateral duty to decide in each case the means and methods for production.

Condition No. 25 is further preempted because it additionally invades the SCAQMD's authority to regulate air quality concerns, which the City purportedly seeks to address by Condition No. 25. (See, e.g., SCAQMD Rules 1148.1 and 1148.2.) The State, in partnership with the Environmental Protection Agency, regulates air pollutants pursuant to the Mulford-Carrell Air Resources Act and the federal Clean Air Act. (See Cal. Health & Saf. Code, § 39000 et. seq.; 42 U.S.C. § 7401 et seq.) The Clean Air Act establishes the maximum concentration levels of certain pollutants and requires each state to adopt a state implementation plan to "meet federal ambient air quality standards in each state's air basins." (So. Cal. Gas Co. v. So. Coast Air Quality Mgmt. Dist. (2012) 200 Cal.App.4th 251, 268-69; 42 U.S.C.A. §§ 7408-7409; Health & Saf. Code, § 39602.5 ["The state board shall adopt rules and regulations pursuant to Section 43013 that, in conjunction with other measures adopted by the state board, the districts, and the United States Environmental Protection Agency, will achieve ambient air quality standards required by the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) in all areas of the state by the applicable attainment date, and to maintain these standards thereafter"].) The State seeks to achieve these air quality standards through "an intensive, coordinated, state, regional, and local effort to protect and enhance the ambient air quality of the state." (Health & Saf. Code, § 39001.)

As part of this coordinated effort, "[t]he Legislature has designated *regional air pollution districts* as the primary enforcers of air quality regulations." (*So. Cal. Gas Co. v. So. Coast Air Quality Mgmt. Dist., supra,* 200 Cal.App.4th at 269, emphasis added; *Western Oil & Gas Assn. v. Monterey Bay Unified Air Pollution Control Dist.* (1989) 49 Cal.3d 408, 417-418 ["The air pollution control district is *the* agency charged with enforcing both statewide and district emission controls"], emphasis original.) They "are the mechanism through which the State meets and maintains state and federal air quality standards under the federal Clean Air Act and California law." (*Beentjes v. Placer Cnty. Air Pollution Control Dist.* (9th Cir. 2005) 397 F.3d 775, 782.) Subject to the powers and duties of the State Board, *air districts* are authorized to adopt rules and regulations to achieve and enforce the state and federal air quality standards. (Health & Saf. Code, §

40001(a), emphasis added.) The State Board then "coordinate[s] the activities of all *districts* necessary to comply with [the Clean Air Act]." (Health & Saf. Code, § 39602, emphasis added.) Thus, the State has delegated authority specifically to air districts—not the City—to protect the State's air resources.

As such, the air districts are delegated authority to regulate air standards, and the City's prohibition of imported methane gas at the Murphy Site in Condition No. 25 to the Plan Approval, which is otherwise allowed by the SCAQMD, contradicts SCAQMD's delegated authority to determine how air quality standards should be met.

3. The Supervisor Has Not Determined That E&B Must First Receive Approval from the ZA to Conduct As-Needed Maintenance.

Moreover, by requiring ZA approval for maintenance acidizing consistent with the ZAI, the ZA and City create a de facto ban on maintenance, which is detrimental to E&B's ability to continue to produce oil and gas at its Murphy Site. Importantly, the Supervisor enjoys unilateral authority to determine whether these types of operations are suitable in each case. Well maintenance acidizing is absolutely critical for E&B to conduct oil production at the Murphy Site. E&B requires acidizing of injection wells in order to maintain waterflood. (See Ex. C, Zylstra Decl. ¶¶ 9-11, see also Exhibit E (September 5, 2023 Supplemental Submission in Support of Appeal of ZA-2022-8997-ZAI-1A - Zoning Administrator's Interpretation of Well Maintenance.) Without acidizing, existing injection wells cannot maintain levels of injection needed for economic waterflood. (Ibid.) While CalGEM determined that acidizing does not require a Rework NOI or other approval, and the added requirement to receive ZA approval now converts this approval requirement into a de facto prohibition on acidizing. But the Public Resources Code preempts the City from prohibiting methods of oil production, including the requirements for maintenance, at the Murphy Site. Even if CalGEM allows acidizing without an approval, the Supervisor, not the City, has been delegated the authority in the State for deciding whether this activity should go forward. By prohibiting acidizing operations unless the ZA approves, the City has elevated itself to the level of Oil and Gas Supervisor. The Oil and Gas Supervisor has the statutory duty to determine what methods of oil production are suitable in a given case, and the City cannot use Condition No. 17 or the corresponding ZAI to usurp the Supervisor's role. There is no doubt after the Supreme Court's decision that the City cannot do this.

The City is blatantly nullifying and thwarting the Supervisor's express, statutorily conferred authority to determine and permit the methods of oil and gas production for in the State of California for each case, and the Plan Approval should not be approved as a result.

B. The Additional and Modified Conditions Conflict With the Supervisor's Dual Mandate of "Ensuring the State has Adequate Oil and Gas Resources, While Protecting the Environment."

Even worse, the added and modified conditions in the Plan Approval are directly antagonistic to the State Oil and Gas Supervisor's mandate as directed by the Legislature that he shall work to "increas[e] the ultimate recovery of underground hydrocarbons." (Public Resources Code § 3106, subd. (b).)

By adding restrictions to the types of fuel that may be used at the Murphy Site, the requirement for an electric workover rig, and adding new requirements for maintenance acidizing, the Plan Approval puts into effect "a ban on certain oil production methods [at the Murphy Site]." (See Cty. of Monterey, supra, 15 Cal. 5th at p. 147.) None of these proposed additional and modified conditions will promote the recovery of hydrocarbons. (See Pub. Resources Code § 3106, subd. (b).) As a result, the Murphy Site's operational efficiency and viability for continued production will be greatly reduced, reducing the recovery of hydrocarbons at the Murphy Site in contradiction to the Public Resources Code. (See ibid.) As did the County of Monterey, the City has overstepped its authority by modifying and seeking to oversee activities already regulated by CalGEM and the State Oil and Gas Supervisor. In doing so, the City's adoption of the Plan Approval stands directly in front of and frustrates CalGEM and the State Oil and Gas Supervisor's ability to "administer the state's regulations in a way that serves the dual purpose of ensuring the state has adequate oil and gas resources, while protecting the environment." (Cty. of Monterey, supra, 15 Cal. 5th at p. 144.)

Taken together, the City lacks the statutory authority or justification to impose unnecessary requirements that are intended to address issues that the Legislature has already conferred authority to other agencies to decide. (See *id.* at p. 149.) Consequently, the additional and modified conditions to the Plan Approval are preempted and should be sent back to Planning Staff for reconsideration.

VII. The Plan Approval Interferes with E&B's Vested Rights and Constitutes a Taking.

The U.S. and California Constitutions provide that private property shall not be taken without just compensation. (U.S. Const. amend. V; Cal. Const., Art. 1, § 19.) These constitutional protections apply to regulatory takings. (*Lucas v. S.C. Coastal Council* (1992) 505 U.S. 1003, 1014.) "The right to remove oil and gas from the ground is a property right." (*Maples v. Kern Cty. Assessment Appeals Bd.* (2002) 103 Cal.App.4th 172, 186.) Moreover, a land use regulation constitutes to a facial taking of property when it "denies an owner economically viable use of his land" (*id.* at 1016, citations omitted), and the implementation of conditional use permits like the Plan Approval strip a property

owner of "substantial economic use" of their affected property. (See *Maritrans Inc. v. U.S.* (2003) 342 F.3d 1344, 1351-52.) "Interference with the right to continue an established business is far more serious than the interference a property owner experiences when denied a conditional use permit in the first instance." (*Goat Hill Tavern v. City of Costa Mesa* (1992) 6 Cal.App.4th 1519, 1529.)

"Where a permit has been properly obtained and in reliance thereon the permittee has incurred material expense, he acquires a vested property right to the protection of which he is entitled." (*Id.* at 1530.) "When a permittee has acquired such a vested right it may be revoked if the permittee fails to comply with reasonable terms or conditions expressed in the permit granted [citations] or if there is a compelling public necessity." (*Ibid.*) A compelling public necessity warranting the revocation of a use permit for a lawful business may exist where the conduct of that business constitutes a nuisance." (*Ibid.*, citing *O'Hagen v. Board of Zoning Adjustment* (1971) 19 Cal. App. 3d 151, 158; *Trans- Oceanic Oil Corp. v. Santa Barbara* (1948) 85 Cal. App. 2d 776; see also *Upton v. Gray* (1969) 269 Cal. App. 2d 352; *Community Development Com. v. City of Fort Bragg* (1988) 204 Cal. App. 3d 1124.)

In *Goat Hill Tavern*, a business owner of the Goat Hill Tavern in Costa Mesa, California was granted a writ of administrative mandamus ordering the City Council to set aside its denial of the owner's application for renewal of a conditional use permit for his tavern, to recognize that the tavern had a vested right to continue operations, and to renew the conditional use permit. In its review of the trial court's ruling and affirming the same based on the substantial evidence standard, the Court of Appeal explained that despite considering evidence of "complaints from neighboring residents and businesses...[t]here was no showing to distinguish complaints about Goat Hill Tavern from other possible causes, including [a neighboring bar], which adjoined Goat Hill Tavern, and the homeless who frequent the area." (*Goat Hill Tavern*, *supra*, 6 Cal.App.4th at p. 1531.) It additionally made the critical point that since "[t]he city has not yet attempted to obtain a nuisance determination[,]" the Court "need not address [whether a compelling public necessity exists to terminate operation] because it is not properly before [the Court]." (*Ibid.*)

Similarly here, the City, through the implementation of additional and modified conditions in the Plan Approval for the Murphy Site, has effected a taking of E&B's vested rights to operate its oil and gas facilities at the Murphy Site. The City has done so without a public nuisance determination, and no public nuisance has been shown to be caused by the Murphy Site. Likewise, E&B engages in significant oil production at the Murphy Site and has a vested property interest in continued oil production at the Murphy Site, which has been legally permitted by the City.

The Murphy Site is located within an oil drilling district that was enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01. Moreover, the Murphy Site has existed since the 1960s and has always maintained an excellent record of compliance. E&B began operating the site in October 2019 when it took over Sentinel Peak Resources' vested rights, and E&B and its Murphy Site predecessors received several prior zoning approvals from the City to conduct oil production operations at the Murphy Site. (See Section I.) The Plan Approvals establish certain conditions, as well as a process for additional modifications or condition review of these existing permits. Condition No. 16 from the most recent Plan Approval provides a documented showing is first required to alter the existing conditions:

At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application.

(Exhibit H, 6/16/2016 Letter of Determination re ZA-1959-15227-O-PA5 [Condition No. 16].) The currently effective permit conditions allowing for and providing the procedure to establish subsequent modifications are being invalidated by the City as a result. In order to rescind existing permit approvals, the City must show that such action is necessary to abate a public nuisance. The City has not made that necessary showing.

In 2017, the City adopted ZA Memo 133, which, among other things, requires a public hearing and environmental review under CEQA for any modification of previously approved determination of conditions. (Exhibit E [ZA Memo 133].) In an appeal related to a challenge to ZA Memo 133, the California Court of Appeal upheld the validity of ZA Memo 133 on the basis that the City would still need to comply with the nuisance abatement procedures in Section 12.27.1 before it could modify, discontinue, or revoke a previously approved condition in an existing permit:

In other words, the authority that Memorandum 133 explicitly confers upon the City with respect to modifications of previously approved conditions is authority that has existed all along. Nothing in Memorandum 133 indicates that the notice and hearing protections set forth in City Code section 12.27.1 would not apply before the City decided to modify, discontinue, or revoke a previously approved condition in an existing permit.

(Youth for Envtl. Justice v. City of L.A., No. B282822, 2019 Cal. App. Unpub. LEXIS 1110, at *42 (Feb. 15, 2019) ("YEJ v. City of LA").⁵

By adding requirements to the Plan Approval, such as requiring an electric workover rig, banning diesel fuel for operations, banning imported methane, and requiring ZA approval for maintenance acidizing, among other revised and additional conditions, the Plan Approval improperly revokes previously approved conditions in an existing plan approval without establishing a "continued violation of any condition...resulting in an unreasonable level of disruption or interference with peaceful enjoyment of the adjoining and neighboring properties," contrary to ZA-1959-15227-O-PA5 (Exhibit H, 6/16/2016 Letter of Determination re ZA-1959-15227-O-PA5 [Condition No. 16]) or obtaining a determination of a public nuisance at the Murphy Site, contrary to well-established law. The Plan Approval, with its additional and modified conditions, will take E&B's private property for public use, and the City must pay just compensation for the taking.

VIII. The Plan Approval Also Effects a Taking of E&B's Vested Rights as an Operator of an Extractive Use.

As an operator of an extractive use, E&B has a vested right to conduct maintenance operations needed to continue operating its existing wells. "The very nature and use of an extractive business contemplates the continuance of such use of the entire parcel of land as a whole, without limitation or restriction to the immediate area excavated at the time the ordinance was passed." (Hansen Bros. Enters. v. Board of Supervisors (1996) 12 Cal.4th 533, 553.) The California Supreme Court in Hansen recognized the "diminishing asset" doctrine and defined the scope of vested rights for mining, quarrying and other extractive uses, recognizing the unique qualities of extractive uses and holding that it includes an expansion of those uses. -But the City's additions and modifications to the Plan Approval disregard these legal principles. And indeed, the appellate court in YEJ v. City of LA held that the City must still initiate a nuisance abatement proceeding in order to modify, discontinue, or revoke a previously approved condition. Notwithstanding this holding, the City seeks to prohibit maintenance acidizing at the Murphy Site that lacks ZA approval without any attempt to show that such action is necessary to abate a nuisance. (L.A. Municipal Code § 12.27.1.B.)

Without demonstrating a continued violation of an existing condition or a public nuisance, the City is seeking to significantly modify and effectively stifle E&B's ability to conduct maintenance acidizing, and thus continue its operations at the Murphy Site, and

⁵ While the *YEJ v. City of LA* opinion is not a published opinion, it remains binding upon the City under the principles of collateral estoppel. (*Parklane Hosiery Company, Inc. v. Shore* (1979) 439 U.S. 322, 332-333.)

therefore unlawfully interferes with E&B's vested rights as an operator of an extractive use. Importantly, the permit for E&B's oil and gas productions at the Murphy Site when E&B first took control in 2019 did not include many of the conditions set forth in the Plan Approval circulated on February 28, 2023 (see Section I, *supra*), and E&B has previously operated with the assumption that it could continue operations as permitted at that time in 2019. By adding conditions and modifications that dramatically affect E&B's oil and gas production, such as the ability to conduct maintenance subject to only the Supervisor's approval, the City is damaging a business that has always operated legally.

VIII. The Plan Approval Provides No Justification for Contradicting Statutory Authority Conferred by the State.

The ZA also provides no justification for the additional and modified conditions in the Plan Approval. Nor can the City demonstrate that the additional and modified conditions are roughly proportional to the issues they intend to "mitigate." By doing so, the ZA has abused its discretion in determining that the additional and modified conditions in the Plan Approval are required to increase the protection of and to preserve the health, safety, and general welfare of the residents and stakeholders of the neighborhood, or (2) address demonstrated nuisance conditions sufficient to support new and modified conditions to the operations at the Murphy Site.

Agencies must make all findings required by applicable law and bridge the analytical gap between the raw evidence and the ultimate decision. The Plan Approval fails to do this, and the additional and modified conditions set forth therein are arbitrary, unreasonable, and not supported by evidence as a result. Even though the Plan Approval imposes new conditions on the Murphy Site's operations, it did not make any findings (including necessary sub-conclusions) that bridge the analytical gap between the alleged harm and the conditions imposed. Of importance, Los Angeles Municipal Code ("LAMC") section 13.01 requires findings based on "actual observation and experience with drilling" in order for a ZA to impose additional conditions or require corrective measures to be taken. The Plan Approval does not include the required findings of a "continued violation of any [existing] condition...resulting in an unreasonable level of disruption or interference with peaceful enjoyment of the adjoining and neighboring properties," (Exhibit H, 6/16/2016 Letter of Determination re ZA-1959-15227-O-PA5 [Condition No. 16]) based on "actual observation and experience with drilling." (See LAMC § 13.01.) Nor do the findings illuminate how the conditions would alleviate the alleged harm, and the findings similarly do not contain support from cited evidence.

For example, the Plan Approval adds the requirement for E&B to use an electric workover rig that is not commercially available and renders E&B unable to feasibly conduct maintenance, repairs, or well-servicing on its wells. The Plan Approval also includes restrictions on imported methane and additional requirements to conduct

needed maintenance on wells, stifling E&B's efficiency and ability to operate at the Murphy Site.

The Plan Approval now also adds requirements for E&B to erect a 30-foot sound wall *after* the 45-foot-high structure is built for any workover, maintenance or drilling rig that exceeds 45 feet in height to address alleged noise issues, even though no nuisance has been shown and E&B's Operational Noise Assessment of the Murphy Site determined "the facility operation does not generate significant noise impact at the evaluated receptor locations." (Exhibit D, 9/15/2023 Murphy Site Operational Noise Assessment, at p. 12.)

These examples demonstrate instances in which the Plan Approval unreasonably, and without supported evidence, imposes conditions and interferes with E&B's ability to make economically viable use of, derive income from, and satisfy its reasonable, investment-backed profit expectations with respect to the Murphy Site. As a result, it cannot be approved as currently drafted.

IX. The Additional and Modified Conditions in the Plan Approval Violate Due Process and Equal Protection Under the U.S. and California Constitutions.

The U.S. and California Constitution's guarantee equal protection of the laws and adequate due process. These rights also apply in the land use context. (Cal. Const., Art. 1 § 7(a); U.S. Const. amend V, XIV; College Area Renters & Landlord Ass'n v. City of San Diego (1996) 43 Cal.App.4th 677, 688.) Substantive due process addresses improper governmental interference with property rights and irrational actions by government decision-makers. (Lingle v. Chevron U.S.A. Inc. (2005) 544 U.S. 528, 541; Arnel Development Co. v. City of Costa Mesa (1981) 126 Cal.App.3d 330, 337.) The City has failed to demonstrate that oil and gas production at the Murphy Site results in any environmental, health, or safety hazards.

X. The Implementation of the Plan Approval Violates the Civil Rights Act.

The federal Civil Rights Act, 42 U.S.C. § 1983 ("Section 1983"), provides a cause of action for damages based on claims arising from violations of federal rights. (Sveen v. Melin (2018) 138 U.S. 1815, 1822.) As discussed at length herein, the additions and modified conditions in the Plan Approval will significantly impair E&B's constitutional rights, including its right to just compensation, due process rights, and equal protection rights. Accordingly, if the City adopts the Plan Approval with the additional and modified conditions, the City will place itself at significant risk of liability under Section 1983, including for payment of damages suffered as a result of unreasonably limiting and reducing the efficiency of oil and gas production at the Murphy Site as a result of the conditions set forth in the Plan Approval.

For all these reasons, and the reasons E&B previously set forth in its initial appeal on March 13, 2023 (Exhibit A), we urge the Commissioners to grant the appeal and order the City to rescind the additional and modified conditions in the Plan Approval as they run contrary to well-established law.

Sincerely,

Nicki Carlsen





APPLICATIONS:

APPEAL APPLICATION

Instructions and Checklist

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

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

A.	APPELLATE BODY/CASE IN	IFORMATION				
1.	APPELLATE BODY					
	☑ Area Planning Commissio☑ Zoning Administrator	n	on	☐ Director of Planning		
	Regarding Case Number: ZA-1959-15227-O-PA6					
	Project Address: 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA					
	Final Date to Appeal: 03/15/2023					
2.	APPELLANT					
	Appellant Identity: (check all that apply)	RepresentativeApplicant	Property OwnOperator of the			
	☐ Person, other than the Applicant, Owner or Operator claiming to be aggrieved					
	☐ Person affected by the determination made by the Department of Building and Safety					
	☐ Representative☐ Applicant	OwnerOperator	☐ Aggrieved Pa	arty		
3.	APPELLANT INFORMATION					
	Appellant's Name: Nicki Carlsen					
	Company/Organization: Alston & Bird LLP on behalf of E & B Natural Resources Management Corporation					
	Mailing Address: 333 South Hope Street, 16th Floor					
	City: Los Angeles	State: California		Zip: 90071		
	Telephone: (213) 576-1128	E-mail: <u>I</u>	nicki.carlsen@alston.co	om		

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

☑ Other: E & B Natural Resources et al

b. Is the appeal being filed to support the original applicant's position?

☐ Self

☐ No

✓ Yes

4.	REPRESENTATIVE/AGENT INFORMATION						
	Representative/Agent name (if applicable): Nicki Carlsen						
	Company: Alston & Bird LLP						
	Mailing Address: 333 South Hope Street, 16th Floor						
	City: Los Angeles State: California . Zip: 90071						
	Telephone: (213) 576-1128 E-mail: nicki.carlsen@alston.com						
5.	JUSTIFICATION/REASON FOR APPEAL						
	a. Is the entire decision, or only parts of it being appealed? ☐ Entire ☑ Part						
	b. Are specific conditions of approval being appealed?						
	If Yes, list the condition number(s) here: 5, 7, 16, 17, 19, 21-28, 32, 33						
	Attach a separate sheet providing your reasons for the appeal. Your reason must state:						
	The reason for the appeal How you are aggrieved by the decision						
	☑ Specifically the points at issue ☑ Why you believe the decision-maker erred or abused their discretion						
0.	APPLICANT'S AFFIDAVIT I certify that the statements contained in this application are complete and true: Appellant Signature: Date: March 13, 2023						
	GENERAL APPEAL FILING REQUIREMENTS						
B.	L CASES REQUIRE THE FOLLOWING ITEMS - SEE THE ADDITIONAL INSTRUCTIONS FOR SPECIFIC CASE TYPES						
	. Appeal Documents						
a. Three (3) sets - The following documents are required for <u>each</u> appeal filed (1 original and 2 duplicates) Each case being appealed is required to provide three (3) sets of the listed documents.							
	 ☑ Appeal Application (form CP-7769) ☑ Justification/Reason for Appeal ☑ Copies of Original Determination Letter 						
	 b. Electronic Copy Provide an electronic copy of your appeal documents on a flash drive (planning staff will upload materia during filing and return the flash drive to you) or a CD (which will remain in the file). The following items must be saved as individual PDFs and labeled accordingly (e.g. "Appeal Form.pdf", "Justification/Reason Statement.pdf", or "Original Determination Letter.pdf" etc.). No file should exceed 9.8 MB in size. 						
	 c. Appeal Fee ☑ Original Applicant - A fee equal to 85% of the original application fee, provide a copy of the original application receipt(s) to calculate the fee per LAMC Section 19.01B 1. ☐ Aggrieved Party - The fee charged shall be in accordance with the LAMC Section 19.01B 1. 						
	 d. Notice Requirement Mailing List - All appeals require noticing per the applicable LAMC section(s). Original Applicants must provide noticing per the LAMC 						

Mailing Fee - The appeal notice mailing fee is paid by the <u>project applicant</u>, payment is made to the City Planning's mailing contractor (BTC), a copy of the receipt must be submitted as proof of payment.

SPECIFIC CASE TYPES - APPEAL FILING INFORMATION

C. DENSITY BONUS / TRANSIT ORIENTED COMMUNITES (TOC)

1. Density Bonus/TOC

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

NOTE:

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

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

D. WAIVER OF DEDICATION AND OR IMPROVEMENT

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

NOTE:

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

E. TENTATIVE TRACT/VESTING

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

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

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

F. BUILDING AND SAFETY DETERMINATION

□ 1. Appeal of the <u>Department of Building and Safety</u> determination, per LAMC 12.26 K 1, an appellant is considered the Original Applicant and must provide noticing and pay mailing fees.

a. Appeal Fee

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

b. Notice Requirement

- □ Mailing Fee The applicant must pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of receipt as proof of payment.
- □ 2. Appeal of the <u>Director of City Planning</u> determination per LAMC Section 12.26 K 6, an applicant or any other aggrieved person may file an appeal, and is appealable to the Area Planning Commission or Citywide Planning Commission as noted in the determination.

a. Appeal Fee

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

b. Notice Requirement

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

G. NUISANCE ABATEMENT

1. Nuisance Abatement - Appeal procedure for Nuisance Abatement per LAMC Section 12.27.1 C 4						
NOTE: - Nuisance Abatement is only appealable to the City Council.						
 a. Appeal Fee ☐ Aggrieved Party the fee charged shall be in accordance with the LAMC Section 19.01 B 1. 						
	2. Plan Approval/Compliance Review Appeal procedure for Nuisance Abatement Plan Approval/Compliance Review per LAMC Section 12.27.1 C 4.					
	efee charged shall be in accordance with the lall be in accordance with the LAMC Section					
NOTES						
A Certified Neighborhood Council (CNC) or a person identified as a member of a CNC or as representing the CNC may <u>not</u> file an appeal on behalf of the Neighborhood Council; persons affiliated with a CNC may only file as an <u>individual on behalf of self.</u>						
Please note that the appellate body must act on your appeal within a time period specified in the Section(s) of the Los Angeles Municipal Code (LAMC) pertaining to the type of appeal being filed. The Department of City Planning will make its best efforts to have appeals scheduled prior to the appellate body's last day to act in order to provide due process to the appellant. If the appellate body is unable to come to a consensus or is unable to hear and consider the appeal prior to the last day to act, the appeal is automatically deemed denied, and the original decision will stand. The last day to act as defined in the LAMC may only be extended if formally agreed upon by the applicant.						
This Section for City Planning Staff Use Only						
Base Fee:	Reviewed & Accepted by (DSC Planner):	Date:				
Receipt No:	Deemed Complete by (Project Planner):	Date:				

□ Determination authority notified

☐ Original receipt and BTC receipt (if original applicant)

ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071-1410 213-576-1000 | Fax: 213-576-1100

Nicki Carlsen Direct Dial: +1 213 576 1128 Email: nicki.carlsen@alston.com

Re: CEQA Appeal Justification for Approval of Plans for 2126 W. Adams Blvd. and 2125 W. 26th Place, Los Angeles, CA ("Murphy Site") (Case No. ZA-1959-15227-O-PA6, issued February 28, 2023 ("Plan Approval")

On behalf of E & B Natural Resources Management Corporation ("E&B"), this Office respectfully appeals the Zoning Administrator's issuance of additional and modified conditions in the Plan Approval for the above-referenced Murphy Site. This Appeal is timely submitted within 15 days of the ZA's Approval of Plan dated February 28, 2023.

REASON FOR THE APPEAL: As specifically identified in the attached appendix, certain additional and modified conditions in the Plan Approval are arbitrary, not supported by substantial evidence, and the Findings do not explain why they are necessary to alleviate the alleged harm. The additional and modified conditions in the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law, including the taking of its property for public use without the payment of just compensation.

SPECIFIC POINTS IN ISSUE:

The Zoning Administrator has abused its discretion in determining that the additional and modified conditions included in the Plan Approval are required to (1) increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood or (2) address demonstrated nuisance conditions. Neither of these determinations are supported by substantial evidence. As discussed specifically in the attached appendix, the additional and modified conditions imposed by the Plan Approval are also unduly oppressive on E&B. By interfering with E&B's vested rights without the requisite basis, and by imposing conditions that are unduly oppressive, the Zoning Administrator has not proceeded in a manner required by law.

Agencies must make all findings required by applicable law. An agency's findings must also bridge the analytical gap between the raw evidence and the ultimate decision. The Plan Approval does not bridge the analytical gap between the raw evidence and ultimate decision. For example, while the Plan Approval imposes new conditions on the Murphy Site's operations, it did not make any findings (including necessary sub-conclusions) that bridge the analytical gap between the alleged harm and the conditions imposed. In addition, LAMC § 13.01 requires findings based on "actual observation and experience with drilling" in order for a Zoning Administrator to impose additional conditions or require corrective measures to be taken. The Plan Approval did not include findings based on "actual observation and experience with drilling." The Findings also do not demonstrate or explain how the conditions would alleviate the alleged harm, and the Findings are not supported by the cited evidence.

Alston & Bird LLP www.alston.com

City of Los Angeles Department of City Planning SPECIFIC POINTS IN ISSUE: Page 2

Under the Federal Supremacy Clause and article XI, section 7 of the California Constitution, local laws in conflict with general state laws or federal laws are void. The Zoning Administrator does not have authority to regulate areas or enforce local laws that are preempted by general state laws or federal laws. Through the Plan Approval, the Zoning Administrator is purporting to regulate areas that are preempted by general state laws or federal laws, including the production of oil and gas (such as all "down hole" activities), air quality, hazardous materials, water quality, and labor laws. By regulating areas that are preempted by state and federal law, the Zoning Administrator has acted without, or in excess of, their jurisdiction.

The due process clause of the U.S. Constitution guarantees the right to due process of law before a governmental deprivation of property. The Plan Approval deprives E&B of its property rights as operator of the Murphy Site. The due process clause of the U.S. Constitution guarantees the right to be free from arbitrary and capricious government action. As the Plan Approval is arbitrary and capricious, the Zoning Administrator did not afford due process before issuing the Plan Approval.

Similarly, the equal protection clause of the U.S. Constitution guarantees the right to equal protection of the laws, requires that similarly situated property be treated similarly. The Zoning Administrator treated the Murphy Site differently from other properties that are similarly situated, and there is no basis for this differential treatment.

E&B has an established vested right to carry on its lawful business at the Murphy Site according to the terms of its existing discretionary zoning approvals. The Plan Approval interferes with E&B's vested rights. E&B submitted an application for the City to review operations for compliance with its existing plan approval. As good neighbors, E&B entered into discussions with the community and proactively suggested new safeguards that are ahead of the existing regulatory framework. However, the City has no evidence to support a need for the additional and modified conditions challenged in this appeal. E&B has an excellent record in compliance and safety with no issues with its regulating agency, the California Geologic Energy Management Division ("CalGEM"), and no history of emergency actions or spills. The Zoning Administrator has not obtained a substantial nuisance or code enforcement determination such that they have established the interests of the public require the Plan Approval and its interference with E&B's vested rights. The Zoning Administrator has not established that the conditions imposed by the Plan Approval are reasonably necessary to accomplish the Plan Approval's purported purpose.

To interfere with vested rights, there must be findings of a substantial impairment of public rights. The Plan Approval does not include any findings of a substantial impairment of public rights that would justify an intrusion on E&B's vested rights.

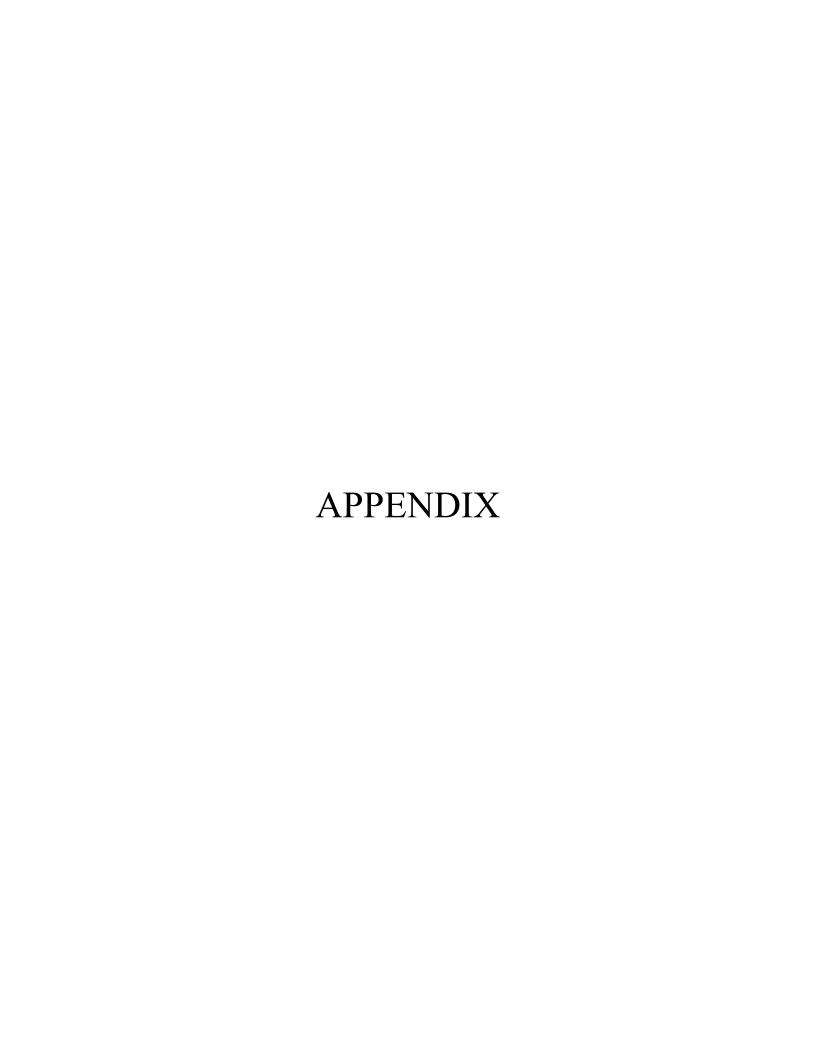
The U.S. and California Constitutions provide that private property cannot be taken for public use without just compensation. A taking occurs when there is a physical invasion of private property. The Plan Approval physically invades the Murphy Site by requiring construction thereon. A taking also occurs when a property is deprived of all economically beneficially uses. The Plan Approval will temporarily deprive E&B of all economically beneficial uses of the Murphy Site. A taking also occurs when a regulation substantially interferes with the ability of a property owner to make economically viable use of, derive income from, or satisfy reasonable, investment-backed profit

City of Los Angeles Department of City Planning HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval. Page 3

expectations with respect to the property. For example, the Plan Approval requires the use of a electric workover rig that is not commercially available, which renders E&B unable to feasibly conduct maintenance, repairs, or well-servicing on its wells. The Plan Approval unreasonably interferes with E&B's ability to make economically viable use of, derive income from, and satisfy its reasonable, investment-backed profit expectations with respect to the Murphy Site. A taking also occurs when a condition of approval is not "roughly proportional" to the impact it seeks to address. The Plan Approval imposes conditions on the Murphy Site that are not "roughly proportional" to the alleged impacts it purportedly seeks to address. Therefore, the Plan Approval effects a taking of the Murphy Site. The Plan Approval will take E&B's private property for public use and the City must pay just compensation for the taking.

HOW ARE YOU AGGRIEVED BY THE DECISION: E&B is the operator of the Murphy Site and holds property rights that will be severely impacted by the Plan Approval.

HOW DID THE DECISION-MAKER ERRED OR ABUSED THEIR DISCRETION: As discussed above, the Zoning Administrator has issued additional and modified conditions to an existing Plan Approval. The Zoning Administrator has also made Findings that are not supported by substantial evidence, and do not adequately explain how the conditions would alleviate the alleged harm. The Zoning Administrator has also not established that the additional and modified conditions are justified by a demonstrated nuisance. The issuance of the Plan Approval has also interfered with E&B's vested rights and its constitutional rights under federal and state law.



APPENDIX to CEQA APPEAL JUSTIFICATION FOR APPROVAL of PLANS FOR MURPHY SITE

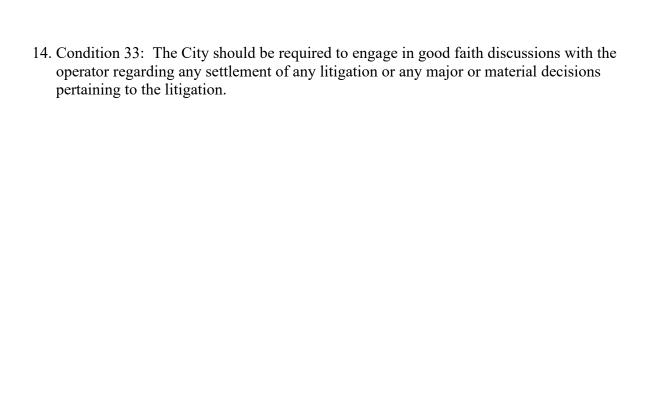
Appeal of Specific Conditions: E&B hereby appeals the following conditions of approval on numerous grounds, including that the conditions would serve to create a hazardous operating environment, that the conditions would serve to terminate or severely curtail operations, that the conditions require the implementation of measures that are not commercially available or technically feasible, that the conditions are vague or unclear and occasionally inconsistent, that the conditions are unduly onerous and not required of other facilities, that the conditions require actions out of the control of the operator, that the conditions do not serve to address the alleged concerns, and that the conditions are pre-empted by State or federal law.

- 1. Condition 5: This condition prohibits access from 27th Street for the pipeline infrastructure installed by Southern California Gas and overseen by the City of Los Angeles. It would have been impractical to access that infrastructure area from Adams (a vehicle carrying heavy equipment could not have entered on Adams Boulevard to the infrastructure area). Additional maintenance by SoCalGas may be required and this condition should allow SoCalGas to service its equipment and its pipeline infrastructure. Further, SoCalGas is not a contractor of E&B. E&B is simply a customer of SoCalGas just like everyone else in the neighborhood. E&B does not control Southern California Gas or its equipment and cannot compel SoCalGas to comply with this condition.
- 2. Condition 7: The condition requires the installation of a 30-foot sound wall *after* the 45-foot-high structure is built for any workover, maintenance or drilling rig that exceeds 45 feet in height. The City has not identified or provided any evidence that E&B is not in compliance with the applicable noise requirements. Further, a 45-foot-high structure is an effective sound barrier by itself. It is impractical, non-sensical and technically infeasible to construct a 30-foot wall within the 45-foot-high structure the 45-foot-high structure would perform the sound barrier function of the 30-foot sound wall. The other requirements to reduce sound such as acoustical blankets (subsections c and d) and sound damping acoustical material (subsection e) are also unnecessary given the sound barrier function of the 45-foot structure. E&B should be allowed to demonstrate that the 45-foot-high structure is sufficient by itself to satisfy any noise mitigation requirement. In addition, while the operator will perform sound monitoring during any drilling, workover or maintenance activity, and the operator is willing to provide that information to the City as the regulating agency, the City provides no basis for its requirement to provide public notification of these results.
- 3. Condition 17: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and has appealed the Zoning Administrator's Interpretation regarding "maintenance" activities. This condition should conform to the results of those legal proceedings.
- 4. Condition 19: While the operator offered proactively to provide fence-line air quality monitoring, this condition requires the installation of a new monitor for the evaluation of

certain constituents using detection limits that are not technically feasible. The findings state that the "existing system may not be set up to monitor all of the mentioned production by products so there may be some expense for the operator in meeting this Condition" (Letter of Determination, p. 60.) The City has not provided any evidence to conclude that any such system is commercially available or technically feasible or even reliable, particularly at the noted detection limits. Also, these detection limits appear to be inconsistent with federal and/or state health and safety limits, and thus, the City is improperly implying that some health and safety concern exists occurred if these detection limits are exceeded. For example, a typical air sample would normally have 200-400 ppb of VOC's and thus, an exceedance of a detection limit of 10-25 ppb of VOCs would not be indicative of anything. The condition also requires "real-time" data, which is also not technically feasible as the data needs to be processed to make it useable.

- 5. Condition 21: This condition requires the operator to maintain a website to distribute to the public information on the facility's operations. Again, the City has provided no legal basis to require public distribution of this information. The operator is willing to maintain the website for notice to the public of activities that require notice and to provide emergency contact information and emergency reporting instructions.
- 6. Condition 22: This condition improperly requires notice by "certified mail" there is no legal basis for this requirement. The website would offer sufficient notice of these activities. There are also notification requirements already in place via the City's Plan Approval process and through SCAQMD.
- 7. Condition 23: This condition requires a "45-foot in height structure enclosing the oil production area of the site." An "enclosure" often means something that is "enclosed" and with a roof. The condition does not explicitly state that this "enclosure" is required to have a roof, and the condition acknowledges the potential use of a rig within the structure that exceeds 45 feet. Given that enclosing the production area with a roof would create a hazardous condition, the City should clarify that the 45-foot height structure is open air, without a roof. (The Packard site is open air.) In addition, it is unclear how the HPOZ process can be satisfied within the 24-month time frame, particularly if there are administrative appeals or litigation. In any case, the City should indicate that the design of the structure should be compatible with the design of the Packard structure. The so-called "enhanced vapor recovery system" to be installed along the top of the 45-foot-high structure is not technically feasible vapor recovery may be applied to pieces of equipment but not to the air generally.
- 8. Condition 24: This condition states: "Amendments shall be made within six months of the review following preparation of any amendment." Under federal law, the SPCC is required to be updated every five years. The City should clarify that it is not requiring an update every six months, but that *if* an update is made (other than the required 5-year update), then the amendment will be provided to the City. Otherwise, this condition is not consistent with and is pre-empted by federal law. Furthermore, the SPCC requirements do not impose a condition for 24/7 staffing, nor do they require a minimum of two operators per shift. The City has no legal basis for mandating the number of employees at the site or for controlling the operator's staffing requirements. Staffing

- requirements are otherwise regulated by State and/or federal law and the City's provisions in this condition are pre-empted.
- 9. Condition 25: This condition improperly prohibits the importation of "methane" or natural gas to power the microturbines. The operation of the microturbines is essential to the operation of the site, and without the microturbines, operations would be effectively terminated or severely curtailed. The City has provided no legal basis for prohibiting the use of natural gas from an offsite provider, something virtually every other commercial, industrial and residential use is allowed to do. The findings refer to the prior operator's request for a flare as evidence of excess natural gas on the site, but circumstances have changed as the City is well aware, as it approved the installation of the SoCalGas pipeline to serve the microturbines. This condition also improperly prohibits electric drilling, workover and maintenance rigs, and the opposition to Condition 26 below also applies to this condition.
- 10. Condition 26: This condition requires the use of electric drilling, workover and maintenance rigs, although commercially available workover and maintenance rigs do not exist, as stated by the Petroleum Administrator. (Letter of Determination, p. 37.) The findings incorrectly state that the Packard site is required to have an electric workover rig (Letter of Determination, p. 63). As for Jefferson, the electric workover rig requirement was contested by the operator and never implemented because the site is transitioning to other uses. The City may have been referencing (incorrectly) the rig at the PCEC site on Pico Boulevard, but that is a drilling rig (not a workover or maintenance rig) which is permanently installed and hard-wired to the electric grid and cannot be moved to be utilized elsewhere. This requirement fails to recognize the current state of technology as presented by the City's own Petroleum Administrator and effectively terminates or severely curtails operations at the Murphy site. In addition, this condition prohibits the idling of diesel-powered vehicles, and this condition should clarify that a vehicle is not "idle" if it is being used for operations, such as powering equipment on the site.
- 11. Condition 27: This condition acknowledges that an "idle well shall be defined and identified per CalGEM's Well Finder web application." The condition should be clarified to state that compliance with State's idle well regulations serve to satisfy the City's regulations regarding idle wells.
- 12. Condition 28: This condition imposes new requirements that are inconsistent with the Fire Department's current regulations (and practice) with respect to fire suppression, hydrogen sulfide and methane alerts, and quarterly monitoring. The operator does not control the Fire Department, and the condition should conform to the Fire Department's requirements.
- 13. Condition 32: The operator has filed a lawsuit challenging the City's new oil and gas ordinance and these conditions must conform to the outcome of that legal challenge. Further, the operator objects to the imposition of any ordinance provision during the pendency of that litigation.



OFFICE OF ZONING ADMINISTRATION 200 N. SPRING STREET, ROOM 763 LOS ANGELES, CA 90012-4801 (213) 978-1318

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CITY OF LOS ANGELES

CALIFORNIA



KAREN BASS MAYOR

LOS ANGELES DEPARTMENT OF CITY PLANNING EXECUTIVE OFFICES

VINCENT P. BERTONI, AICP SHANA M.M. BONSTIN ARTHI L. VARMA, AICP

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planning.lacity.org

February 28, 2023

JORDANN TURNER

Ted Cordova (A) E & B Natural Resources 249 East Ocean Boulevard Long Beach, CA 90802

Roman Catholic Archdiocese of Los Angeles (O) 3424 Wilshire Boulevard Los Angeles, CA 90010

CASE NO. ZA-1959-15227-O-PA6 APPROVAL OF PLANS 2126 West Adams Boulevard and 2125 West 26th Place

South Los Angeles Community Plan

Zone: [Q]R4-1-O-HPOZ

C.D: 10 D.M.: 123B193

CEQA: ENV-2021-7445-CE

Legal Description: Lot A, Tract 9454

Pursuant to the California Environmental Quality Act, I hereby **DETERMINE**:

based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1), Section 15303 (Class 3), Section 15305 (Class 5), Section 15308 (Class 8), and Section 15321 (Class 21), and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies.

Pursuant to Los Angeles Municipal Code (LAMC) Section 12.24 M, Condition No. 14 in Case No. ZA-1959-15227(O)(PA4), and LAMC Section 13.01-E,2(i), I hereby **DETERMINE**:

that, based on the whole of the administrative record, additional and modified conditions are required for the continued operation of the existing Murphy Oil Drill Site to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood. The additional conditions are also necessary to afford greater protection to surrounding property and to address the nuisance conditions which were demonstrated by substantial evidence.

The additional and modified conditions are:

Note: The conditions of approval from Case No. ZA-1959-15227(O)(PA4) are in standard type and font. The revisions to the Conditions of Approval are in **bold** print and underlined or strikethrough

- MODIFIED: The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A I dated March 27, 2007. Prior to any clearance on a building permit per Condition No. 23, a revised plot plan shall be provided showing the current production equipment locations on-site. Said plot plan shall provide a detailed description and inventory of production equipment, such as tanks, vessels, compressors, scrubbers, separators, micro-turbines, etc.
- 2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:
- 3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3,4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail.
- 4. MODIFIED: Landscaping of the site shall be maintained as follows:
 - a. With respect to that portion of the drill site south of the cement block wall and facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant and/or maintain 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall; (3) plant and/or maintain Ficus or climbing ivy, or similar plantlife (grown to 5 gallon size containers) along the South facing facility wall; (4) spread and/or maintain wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install and/or maintain drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and place sprinklers on timers to insure proper maintenance of the grassy area; (7) install and/or maintain new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the east fence by painting it; (9) install and/or maintain meandering dry creek bed hardscape on the south parcel, utilizing recycled broken concrete foundations from Drill Site facilities (final placement, configuration and length dependent on pipeline easement and other site facility considerations); (10) work with 10th Council District office (or its successor office) and Archdiocese to allow future public access.
 - b. With respect to that portion of the drill site east of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install <u>and/or maintain</u> new/improved cyclone fencing along Adams, including raising the east facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install <u>and/or maintain</u> 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on east

- wall; (4) improve <u>and/or maintain</u> wall on west side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install <u>and/or maintain</u> parking lot lighting; (7) plant <u>and/or maintain</u> ficus/climbing ivy, or similar along east and west walls to enhance its appearance (using 5 gallon size container plantings); (8) install <u>and/or maintain</u> drip irrigation on new plantings; (9) install <u>and/or maintain</u> sprinkler timers.
- c. A yearly review of the landscaping shall be conducted by the applicant with the Council District Office and the United Neighborhoods Neighborhood Council.
- 5. MODIFIED: That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drill site, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees. and overflow parking for The Athletic Club. Parking on the east side of the drill-site, outside of the enclosed area, shall not be used for heavy trucking operations or staging or storage of any. All such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities. There shall be no access to the site from 27th Street except for maintenance of the landscaped area fronting on 27th Street and south of the wall separating the landscaped area from the production site. Additionally, there shall be no parking of any vehicles by workers or equipment servicing the site on 27th Street. Except for access by Southern California Gas to service or operate its equipment, aAny access for the maintenance of any infrastructure for the production site such as existing pipes in front of said wall-shall be from the existing gate at the parking area on the easterly side of the facility with access from West Adams Boulevard only.
- 6. MODIFIED: As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted 24 hours a day, seven days a week, no work shall be conducted on the property between the hours of 7:00 p.m. of one day and 7:00 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7:00 p.m. of and 7:00 a.m., the applicant shall operate its facility in "Quiet Mode". "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency

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purposes only. The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergency situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling or workover rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversized/overweight load) truck deliveries shall be permitted from 7:00 a.m. to 9:30 p.m., on week-days none during week-ends and holidays. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parked within the facility is scheduled to leave the facility within 15 minutes. The maximum number of heavy truck deliveries allowed for moving the drilling rig on and off the premises shall not exceed 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the number of "permitted" truck deliveries per day (week-days only, none on week-ends and holidays) shall be limited to a maximum of ten. The number of "nonpermitted" truck deliveries per day (week-days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-ends and holidays only) shall be limited to a maximum of five.

The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or re-drilling of wells. The operator shall also provide a landing page on a publicly available website where interested parties can sign up for email alerts as a supplemental effort for notification purposes. The operator shall provide the web address for the publicly accessible website within six (6) calendar months of the final determination of Case No. ZA-1959-15227-O-PA6.

- 7. MODIFIED: Until the sound barrier walls are a permanent 45-foot high structure is built, in accordance with Condition No. 23, and, afterward for any portion of a workever, maintenance or drilling rig which exceeds 45 feet in height, the applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:
 - a. Erect 12-foot high acoustical panels approximately 100 feet in length on a 30-foot high blanket sound wall on the north side and either the west or, south and east side of the any workover, maintenance or drilling rig at the Murphy drilling site (west, south and east side property line), with the layout and wall lengths determined after the drilling, workover or maintenance rig and equipment positioning has been established. Install the acoustical panels sound wall as close as possible to the drilling, workover or maintenance rig and associated equipment

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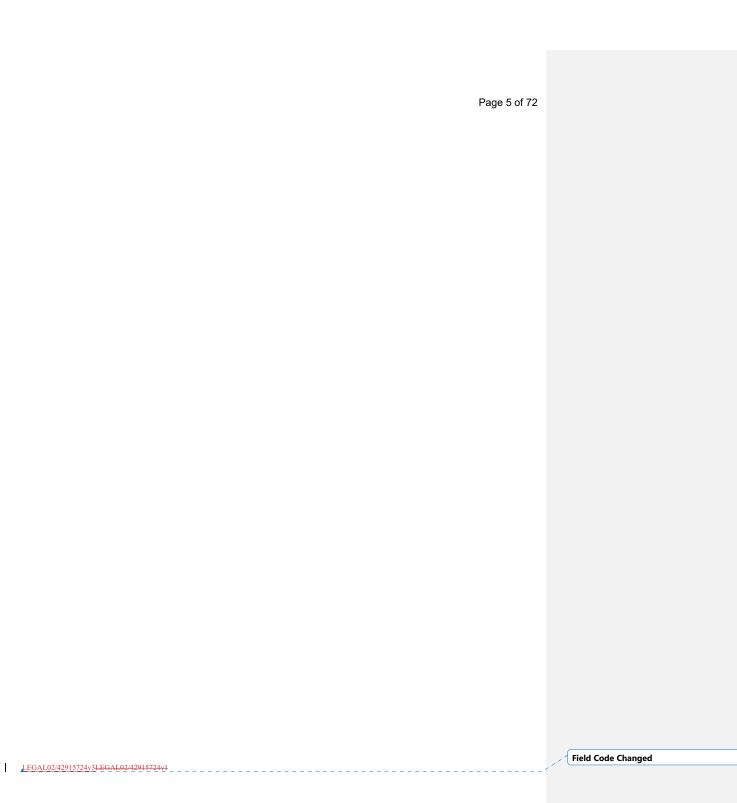
with no gaps or openings in the walls. The <u>acoustical panels sound wall material</u> should have a minimum STC rating of 25. Sound

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wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up. The sound wall shall not be maintained for more than 120 continuous days. Should unforeseeable mechanical problems warrant the maintenance of the sound wall for a period exceeding the 120 continuous days, the applicant shall notify the Office of Zoning Administration and Council Office and inform the owners and occupants of surrounding property of the reasons for and estimated duration of the delay in the dismantlement of the wall.

- b. [Condition 7.b was deleted in Case No. ZA-1959-15227-O-PA4]
- c. To reduce sound from the drilling, workover or maintenance rig's sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west property line.
- d. The stabbing platform on the rig's derrick shall be enclosed with STC-25 rated acoustical blankets.
- e. To mitigate the drilling, workover or maintenance rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.
- f. Position all ancillary noise generation equipment away from the nearest critical receptors when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.
- g. Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.
- h. Implement Drill Site "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.
- i. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling, workover or maintenance activity to ensure adequate -sound mitigation has been installed, and to identify any unusual or unique noise -problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound -level measurement and monitoring may shall be considered during all drilling, -workover or maintenance activity. The operator shall make known through both regular mail and website communication the results of such measurement and monitoring to abutting property owners and residents as required by Condition No. 21 elsewhere in this Determination.
- 8. <u>DELETED:</u> Drilling operations may be conducted seven days per week on a 24 hour basis, including any nationally recognized holiday. Drilling operations for the first

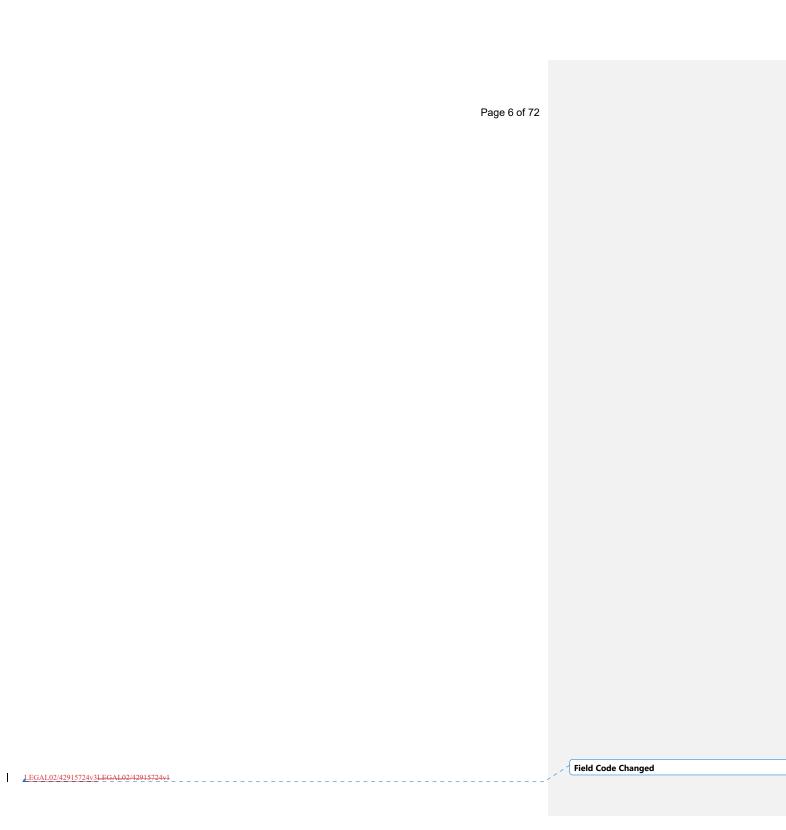


three wells identified in the grant clause of the instant determination shall e completed within 36 months from the effective date of this determination. The drilling for the following nine wells as hereby authorized shall be subject to a review of plans by the Zening Administrator, without a public hearing, for the purpose of updating the record with the well identification and path. None of the wells hereby authorized shall be engaged in a production mode until the vault is complete.

The first three new wells may be drilled prior to the construction of the new well (vault) cellar using temporary cellar rings in substantial compliance with the "Ring Cellar Schematic" and the "Construction Plan: Well Cellar Rings" attached hereto (Exhibit B) subject to any permitting requirement of the Department of Building and Safety and the Department of Oil, Gas and Geothermal Resources.

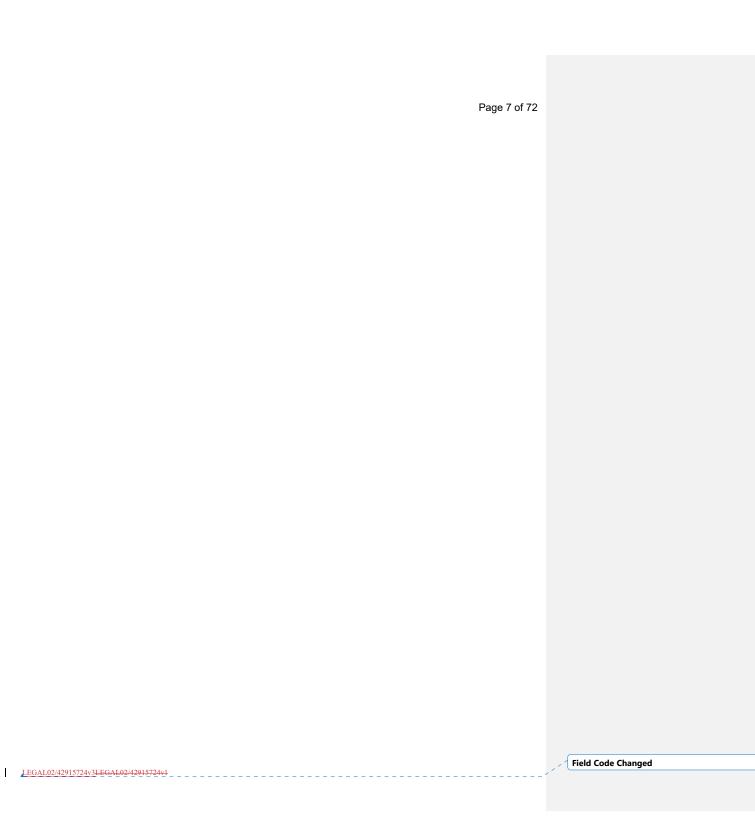
Once these three wells have been completed, they will be shut so that the permanent well cellars can be constructed in compliance with plans approved by this grant (Exhibit A). During construction of the permanent well cellar, the temporary cellar rings shall be removed and the cellars shall be incorporated in the permanent will cellar. Drill operations shall be completed within 36 months from the effective date of this determination.

- NEW: All drilling, workover or maintenance rigs and equipment shall be removed from the premises immediately after drilling is completed, sump holes filled and derricks removed within sixty days after the completion of the work.
- 10. NEW: All oil drilling, production and maintenance operations shall be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration and noxious odors and shall be in accordance with the best accepted practices incident to drilling for and production of oil, gas and other hydrocarbon substances. Proven technological improvements in drilling, production and maintenance methods shall be adopted as they may become available, from time to time, if capable of reducing factors of nuisance and annoyance.
- 11. MODIFIED: The applicant operator shall permanently post at all of the site's entry gates (including those facing West Adams Boulevard and West 27th Street), the direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem or odors. A call log shall be maintained including date and time of call and subject, and date and time of response and action. Said log shall be made available at the request of the Office of Zoning Administration. Signage shall include instructions to call 911, the SCAQMD or the operator's hotline number in case of noxious odors caused by the operation. Signage shall also include the company's publicly available website where more information about activities are made available.
- 12. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and



- the south side, facing 27th Street. All trash and debris shall be removed from the site daily.
- 13. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
- 14. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 15. MODIFIED: All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area. Any new exterior lighting at the project site shall be located below the top of the surrounding containment structure and property line walls and shall be directed onto the site. Except as directed otherwise by the Office of Zoning Administration or other public agency, no lights shall be located on the enclosure structure above the height of the surrounding exterior and property line walls. These lights shall be placed and designed to minimize their impact on neighboring properties.
- 16.MODIFIED: At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01 C (Plan Approval 12.24 M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500 foot radius of the property, the Council Office, and the Los Angeles Police Department's corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions. and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.
- 17. DELETED NEW: As further required by Section 13.01-H and I or Section 12.23-C,4 of the Municipal Code, no maintenance acidizing is permitted on an existing production or injection well until a determination has been made by the Zoning Administrator. (Deleted pursuant to decision by California Supreme Court in Chevron U.S.A., Inc. v. County of Monterey 15 Cal.5th 135 (2023).)

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- 18. NEW: An Annual On-site Safety Inspection Report shall be performed by the applicant/operator and sent to the Petroleum Administrator and the Office of Zoning Administration, listing the inventory of equipment on site, any repair work, and / or maintenance done to keep the equipment in good operating condition at all times and any safety protocols of the responsible State, regional and City agencies. The first Annual Safety Inspection report shall be submitted within 45 days of the effective date of this action.
- 19. NEW: Within 90 days of the effective date of this action, the applicant shall install a fence line air monitoring system which presents real-time air monitoring data, along the fence line between the oil drilling and production facility and the community. The system shall be designed and installed to provide real time data on-line via a website and provide quarterly reports to the SCAQMD, the Petroleum Administrator and the Office of Zoning Administration for up to three years from the effective date of this action. Monthly reports shall also be submitted to the Office of Zoning Administration via e-mail to planning.oildrilling@lacity.org. The fence line air monitoring system shall monitor for air emissions consistent with Los Angeles Fire Department standards. hydrogen sulfide, nitrogen oxide, sulfur dioxide, carbon dioxide, carbon monoxide, methane, benzene, ammonia, hexane, toluene, xylene, and other volatile organic compounds, reactive organic gases, and toxic substances. The monitoring equipment shall continuously measure Volatile Organic Compounds as listed above and Hydrogen Sulfide at the facility fence line with detection limits of 10-25 ppb of VOCs and 10 ppb of Hydrogen Sulfide.
- 20.NEW: The applicant shall immediately notify the Los Angeles Fire Department, the Petroleum Administrator, the Office of Zoning Administration, the Department of Building and Safety and the local City Council office of an emergency, any incident, and/or spill that requires reporting to any State, County, or regional agency. In addition, the operator shall notify the Office of Zoning Administration's Oil Drilling Unit via email to planning.oildrilling@lacity.org within 24 hours whenever there is an emergency event that includes, but is not limited, to 911 calls for emergency services or CalOES hazardous event notifications. Operator staff can email planning.oildrilling@lacity.org for notifications.
- 21.NEW: The applicant shall create a landing page for the public on the company website with information on monthly reporting on noise and emission levels at the drill site, current and planned operations that require notice to the public per CalGEM or SCAQMD regulations, emergency contact information, and emergency reporting instructions., and real time fence line air monitoring data. The operator shall have this website completed and in operation within six calendar months of the effective date of this action and provide the website address information to planning.oildrilling@lacity.org to be included in the administrative record.
- 22.NEW: When the operator is required to provide public notice of its activities pursuant to CalGEM or SCAQMD regulations, tThe operator shall also provide

notice via the website (consistent with Condition 21). notify all owners and occupants within 100 feet when permitted and approved drilling, redrilling, deepening, rework activities, plugging and abandonment and maintenance acidizing activities will

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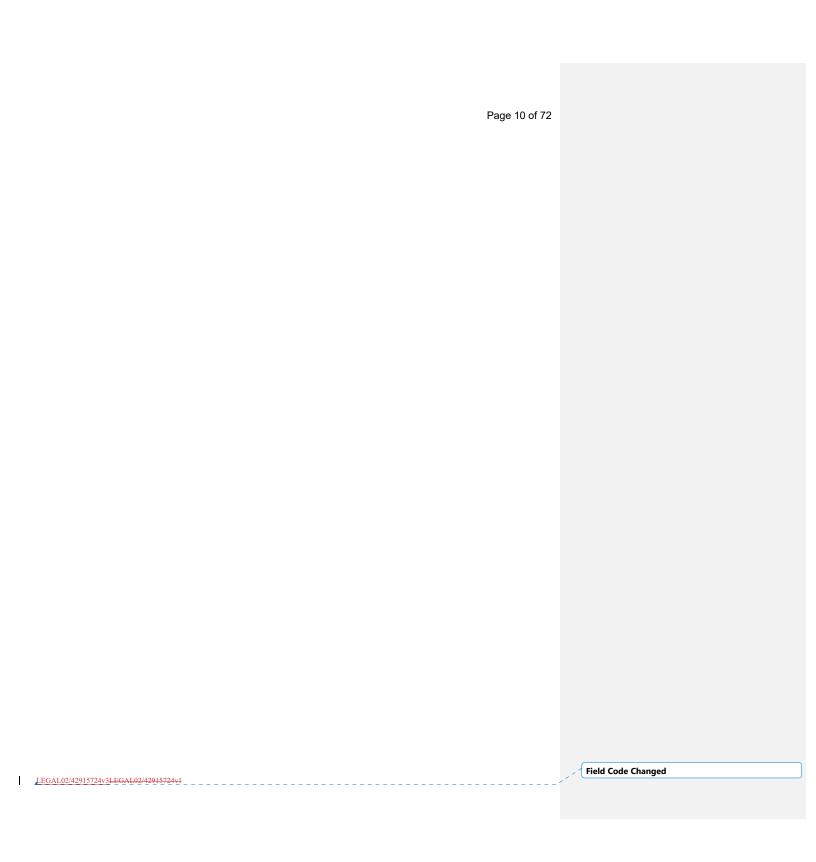
commence for any well(s) at the drill site. Notification shall be provided at least one calendar week prior to the anticipated start date of the project. The operator shall utilize the Los Angeles County Department of Public Health's Community Health and Safety Notification Plan. Notification shall be sent by way of certified United States Postal Service mail and be stated on the operator's website. The operator shall also use the landing page on their website for such notification. Rework activities shall be defined as any scope of work that requires a CalGEM Notice of Intention permit and maintenance acidizing shall be defined as anything that triggers SCAQMD Rule 1148.2 Oil and Gas Well Notification

- 23. NEW: Within 24 months of the effective date of this determination, if feasible, completion of all required work shall be verified during the final inspection of the building permit and the building permit shall be finalized for sound barriers on the eastern and western sides of the property an approximately 45-foot in height structure (wall with no roof) surrounding -enclosing the oil production area of the site, as depicted in Figure 3-4 of the 9/15/23 Behrens and Associates Report submitted by applicant. No oil, gas or other hydrocarbon substances may be produced from any well hereby -permitted unless the sound barriers have been constructed. all equipment necessarily incident to such production is enclosed within the 45-foot in height structure. Plans for said sound barriers enclosure need to be submitted to the Department of Building and Safety for all necessary reviews, including reviews by other departments and agencies, as appropriate, and building permits secured prior to any construction. The operator shall provide a height survey if requested by the Department of Building and Safety. Notwithstanding the 45-foot height limit for the containment structure, where any drilling, maintenance, or workover rig which exceeds the 45-foot in height structure, such a rig must also be sound proofed as provided for in Condition No. 7. The sounds barriers is structure, for the oil production area, shall be of a permanent type, of attractive design and constructed in a manner that will minimize, as far as practicable, dust, noise, noxious odors and vibrations, or other conditions which are offensive to the senses, and shall be equipped with such devices as are necessary to minimize the objectionable features mentioned above. The architectural treatment of the exterior of such structure shall be subject to issuance of a Certificate of Compatibility with the approval of the Director of Planning, or their designee, after a maximum of two hearings by the Jefferson Park Historic Preservation Overlay Zone's Historic Preservation Board. See Figure 3-4 of the 9/15/23 Behrens and Associates Report submitted by applicant for the approximate location of the sound barriers. area that shall be enclosed. This area includes, but is not limited to: the well cellar, storage tanks, slop tank, compressors, and the microturbines.
 - a. <u>Tanks and other equipment and buildings used in extraction and production activities shall be maintained on the site in such a manner that no portion of the tanks, equipment or buildings other than the upper portion of the rig shall extend above the height of the sound barriers. 45-</u>

foot permanent enclosure. In addition, no portions of the draw-works house, drilling equipment buildings, temporary mud and water storage tanks and future portable drilling mast used for servicing activities shall extend above the height of the sound barriers. 45-foot permanent enclosure:

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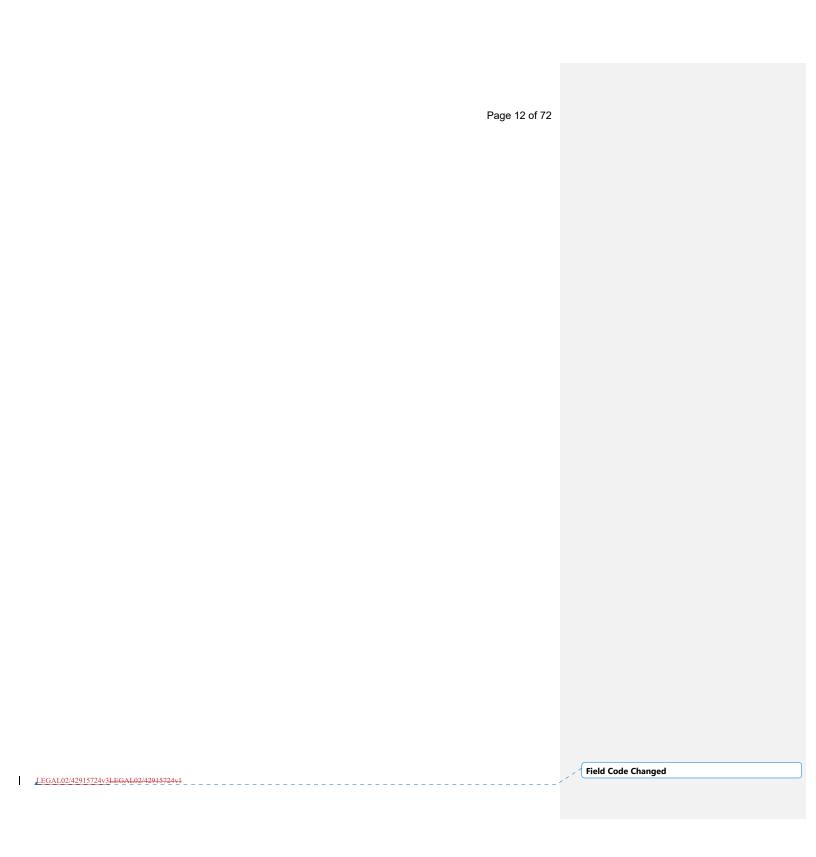
- b. <u>In addition, the workover, maintenance or drilling rigs, that measure up to a height of 45 feet and the micro-turbines shall be below the sound barriers.within the 45 feet in height structure.</u>
- c. An enhanced vapor recovery system shall be installed along the top of the 45-foot in height enclosure structure for the oil production area. The vapor recovery recordings or report shall be submitted to the Office of Zoning Administration (via email to planning.oildrilling@lacity.org), the Petroleum Administrator, the State Fire Marshal, the California State Resources Board and the South Coast Air Quality Management District as required pursuant to city, county, state, and federal rules and regulations.
- d.c. It is the applicant's responsibility to act in a timely manner to submit a building permit application and comply with all rules and requirements in order to secure and final the building permit for the sound barriers.45-foot in height structure. It is also the applicant's responsibility to act in a timely manner to apply for and obtain a Certificate of Compatibility from the Jefferson Park HPOZ Board. Nonetheless, if the City process causes the time frame to extend beyond 24 months, applicant shall not be in violation of this condition.
- 24. NEW: A Spill Prevention, Control and Countermeasure (SPCC) Plan shall be submitted via email to planning.oildrilling@lacity.org, annually. The SPCC Plan will be updated pursuant to federal law, and any aAmendments shall be provided made within six months of the review following preparation of any amendment. The updated document shall be submitted to the file to the satisfaction of the Bureau of Sanitation Watershed Protection Division, the Petroleum Administrator and the Office of Zoning Administration. This review shall include at a minimum, the following:
 - Applicability of new prevention and control technology, which may significantly reduce the likelihood of a spill event from the Facility if such technology has been field proven at the time of the review;
 - Accuracy of the SPCC Plan as compared to the current facility operation and SPCC Regulations;
 - <u>Capacity and structural integrity of secondary containment structures;</u> and
 - SPCC inspections and records retention to ensure continuity for a minimum period of three years.
 - The site shall be staffed 24 hours a day, seven days a week. There shall
 be a minimum of two operators per shift so that meal and other breaks
 do not result in the site being unoccupied by staff.
 - The dispersal system for any required odor control product shall be placed as far as practicable from any adjacent residential structures to the site. The current location of the system shall be moved to a more remote location in the drill site, but away from any open flames or ignition sources.



- 25.NEW: All drilling, workever, or maintenance rig operations at the site shall at all times be carried on only by electric power. All other operations on the site shall at all times be carried on only by means of electric power. Power may be generated on site by solar voltaic generators or natural gas powered microturbines placed within sound and odor proofed buildings or structures. Any methane used for the micro-turbines must come from methane produced as a by product from oil extraction. Methane may not be imported to power microturbines from off-site sources nor may it be pumped to the site from other oil production sites in the area.
 - The operator shall limit any microturbine PM emissions to 0,0035 lbs/mmbtu, or an equivalent reduction in the number and/or size of the microturbines, in order to reduce emissions to below local thresholds. The applicant will be subject to SCAQMD permit conditions that limit emissions from the set of microturbines, not just individual permit units.
- 26.NEW: The use of diesel fueled equipment, including any drilling, workover or maintenance rig, is prohibited on the site nor may any backup generators use diesel fuel. Backup generators shall either be solar powered, be plugged into the electric power grid or powered by the on-site microturbines. Diesel powered vehicles are permitted on the site. Said vehicles, however, may not idle when on-site and must shut off their engines until they are to be moved off of the site or to another position on the site.
- 27.NEW: The operator shall remain in compliance with city, county, state and federal regulations specifically regulating idle wells. The operator shall plug and abandon idle wells as required by and in accordance with any city, county, state and federal regulations that identify a) when a well becomes idle and b) requirements to abandon an idle well. An idle well shall be defined and identified per CalGEM's Well Finder web application, and compliance with the State's idle well regulations constitute compliance with the City's regulations regarding idle wells.
- 28.NEW: Monitoring Program. The following measures shall be utilized by the operator to maintain regular and assured oversight of the well site in a residential neighborhood.
 - a. The operator shall install an early alert detection system which will alert the Los Angeles City Fire Department (LAFD) of hydrogen sulfide and methane leaks. A protocol for the construction, installation and operation of the system shall be established to the satisfaction of the LAFD and CalGEM within 90 days of the effective date of this Determination letter and submitted to the Office of Zoning Administration for placement in the case file. Such system shall remain in operation during the lifetime of the drill site operation.

	b.	The operator shall install a state-of-the-art fire suppression system as directed by LAFD, which shall use, but not be limited to more effective fire suppressants	
		Page 11 of 72	
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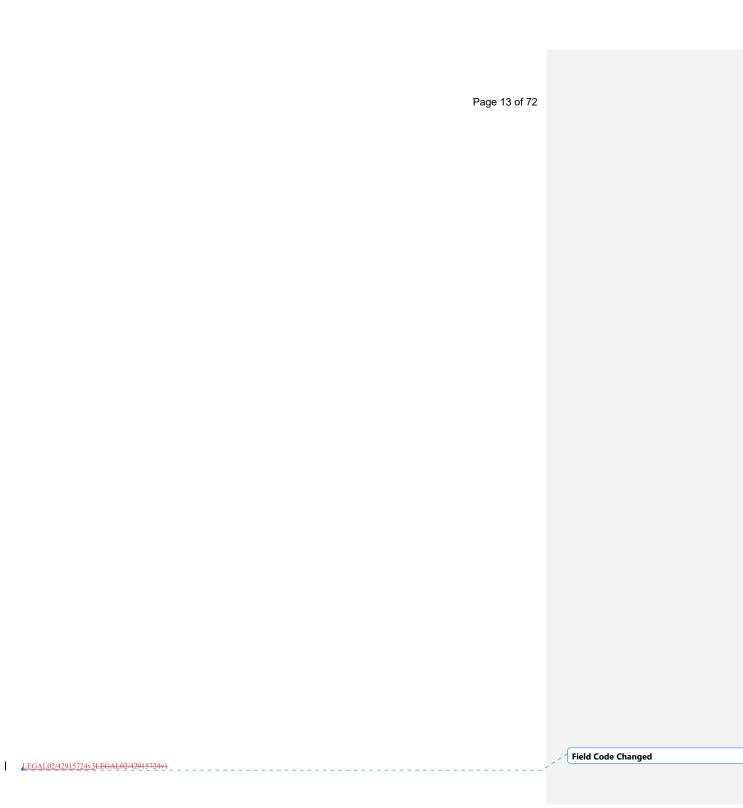
- such as feam. The system shall be constructed to the satisfaction of the LAFD; with the clearance from the LAFD for its design.
- c. The operator shall formally arrange with the LAFD Oil Wells Unit and the LAFD CUPA Program, for regular quarterly monitoring of the operation at the subject site, including but not limited to inspection of the systems described above. Such inspections shall occur as required by LAFD quarterly—during the first five years of operation following this Determination. Copies of a formal arrangement assuring inspection shall be sent the Office of Zoning Administration for placement in the case file. Copies of all monitoring inspection reports shall be filed with the Office of Zoning Administration and the Petroleum Administrator.
- 29. NEW: The operator, in the event of ceasing and/or decommissioning the drill site, shall test for potential hydrocarbon contamination in specific areas. The operator, or responsible party, shall test for soil data under the well cellar and tank battery area of the drill site. If contamination is found to be present then the area shall be remediated according to the standards and satisfaction of the Los Angeles Regional Water Quality Control Board. All excavations and depressions shall be filled with clean soil. All oil, refuse and waste shall be removed from the drill site pursuant to city, county, state and federal laws and regulations. The operator, or responsible party, shall remove all underground and above-ground storage tanks in accordance with city, county, state and federal laws and regulations.
- 30.NEW: All production installations or facilities shall be removed and the premises restored to its original condition after all oil and gas wells have been abandoned in accordance with city, county, state, and federal regulations.
- 31.NEW: The operator shall record a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard main covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided for inclusion in case file.
- 32. NEW: When a Condition of ZA-1959-15227-O-PA6 conflicts with Los Angeles Municipal Code Section 12.23-C,4, as recently adopted by Ordinance No. 187,709, and effective on January 18, 2023, Section 12.23-C,4 shall supersede on matters regarding the drilling of new wells or the redrilling of existing wells to increase extraction. All other conditions in ZA-1959-15227-O-PA6 shall remain in effect. (The City's new Code provisions are the subject of litigation, and this condition shall conform to the resolution of that litigation.)
- 33.NEW: 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 in paragraph (ii).
- (v) If the City determines it necessary to protect the City's interest, 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. The City shall engage in good faith discussions with the applicant regarding any settlement of any litigation or regarding any major or material decisions pertaining to the litigation.



For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commissions, 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.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

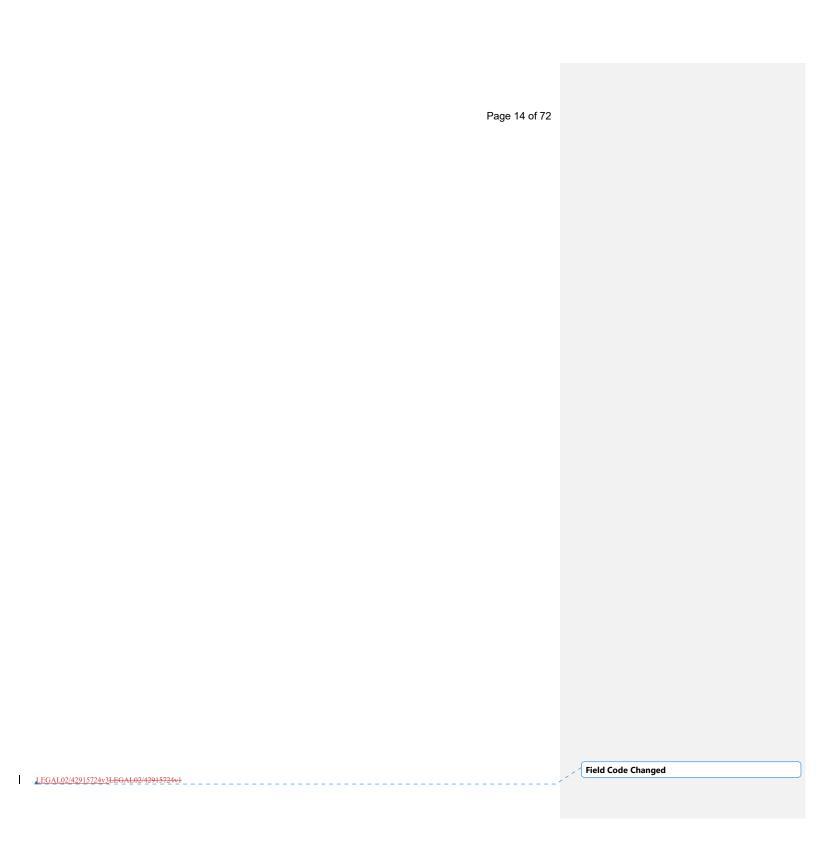
Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after **March 15, 2023,** unless an appeal therefrom is filed with the Department of City Planning. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of



the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. Forms are available on-line at http://planning.lacity.org. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street 4th Floor Los Angeles, CA 90012 (213) 482-7077 Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Blvd., Room 251 Van Nuys, CA 91401 (818) 374-5050 West Los Angeles Development Services Center 1828 Sawtelle Blvd., 2nd Floor 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.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Oil and Gas Facilities Unit of the Office of Zoning Administration. 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.

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 Case No. ZA-1959-15227(O)(PA4) Condition No. 14, at any time during the period of validity of the grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application, together with associated fees, the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. Upon review the Zoning Administrator may modify, add, or delete conditions.

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and Wilmington Oil Fields, which have all been legally permitted by the City. E & B Natural Resources Management Corporation operates these facilities and oil fields within an oil drilling district that was enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01.

- 5. Hillcrest Beverly Oil Corporation currently conducts oil and gas operations at the Hillcrest Country Club facility, located in the vicinity of West Pico Boulevard and Avenue of the Stars, and at the Rancho Park Golf Club facility, located in the vicinity of West Pico Boulevard and Beverly Glen Boulevard. These two facilities collectively extract from 617 acres of mineral interests.
- 6. Hillcrest Beverly Oil Corporation has vested property interests in continued oil production at its Hillcrest Country Club and Rancho Park Golf Club facilities. Hillcrest Beverly Oil Corporation operates these facilities within an oil drilling district that was enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01.
- 7. E&B also leases mineral rights from mineral interest owners. E&B ENR I, LLC holds mineral interests in fee and leasehold for the San Vicente and Packard facilities. Elysium Natural Resources, LLC holds mineral interests in fee and leasehold for the Murphy facility and for some of the operations by E & B Natural Resources Management Corporation within the Torrance oilfield. Hillcrest Beverly Oil Corporation also holds mineral interests in fee and leasehold for its operations at the Hillcrest Country Club and Rancho Park Golf Club facilities. E & B Natural Resources Management Corporation also holds mineral interests in fee and leasehold for its operations at the Torrance and Wilmington Oil Fields.
- 8. E&B's operations in the City have approximately 15,000 royalty owners. E&B collectively pays approximately \$11 million annually in royalty payments and related payments, such as advanced royalty payments or surface rentals to royalty owners. These royalty payments are computed based on the value of production from each mineral lease.
- 9. In addition to the drilling and operation of production wells to extract oil, E&B's operations also require the use of injection wells. In the majority of E&B's operations, injection wells are used as part of a waterflood secondary recovery. Waterflooding involves the injection of water to increase the mobilization of oil within the underlying reservoirs. Waterflooding is necessary for the

economic recovery of oil from these formations. In the remaining sites, injection wells are used to reinject the wastewater that is produced with the recoverable oil. Without the re-injection of this wastewater, these operations would quickly become uneconomic as there is no other feasible method of disposing of this wastewater. Injection wells can become clogged or less effective with time. Routine maintenance such as acidizing is needed to maintain an injection well's ability to inject fluids.

- 10. It is a normal and necessary function of petroleum operations to redrill from established drill sites not only to find and extract additional reserves or correct subsidence problems, but to correct extraction problems which occur from time to time. E&B must also frequently conduct maintenance of existing wells, for example, to repair or replace the casing of wells or to add perforations into an existing well. Without the ability to conduct redrilling or maintenance activities, E&B's oil production operations would quickly become uneconomic and not viable for continued use.
- 11. E&B routinely undertakes maintenance to its existing wells to continue its operations in the City. To the extent that the maintenance operation involves deepening, redrilling, plugging, or permanently altering in any manner the casing of a well or its function, E&B would typically file a Notice of Intention for a "Rework Permit" from the California Geologic Energy Management Division to conduct certain maintenance activities. For acidizing maintenance, E&B is now required to notify the South Coast Air Quality Management District. These maintenance operations are a necessary function to maintain ongoing oil production, and a field would quickly become non-productive if maintenance was not allowed to continue.
- 12. Hillcrest Beverly Oil Corporation is a lessee to leases with the City of Los Angeles for its oil and gas operations at the Rancho Park Golf Course. These leases specifically contemplate that the lessee will be allowed to conduct drilling, redrilling, maintenance, and servicing of wells as part of the lease.
- 13. E&B has received permits or zoning approvals from the City to conduct oil production operations on its properties. These permits establish conditions, as well as a process for additional modifications or condition review of these existing permits, which are inconsistent with the ZAI and ZA Memo 141.

14. As a result of the ZAI and ZA Memo 141, the permit conditions allowing for subsequent modifications, including redrilling and maintenance activities, are apparently being invalidated by the City without any prior notice to E&B or any opportunity for E&B to be heard on these new procedures. E&B has substantially relied on these permit conditions in planning its operations at the sites within the City.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this _4th__ day of September, 2023, in Fountain Valley, California.

Louis P. Zylstra, Jr. PE

- 5 -



Murphy Production Site Operational Noise Assessment

September 15, 2023

Prepared for:

E&B Natural Resources Mgnt. Corp. 5733 W. Pico Blvd. Los Angeles, CA 90019

Prepared by:

Behrens and Associates, Inc. 13806 Inglewood Avenue Hawthorne California, 90250

Simon Kim Senior Acoustical Consultant Jason Peetz Engineering Manager



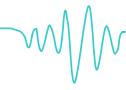
1. Introduction

The following report provides results of the operational noise impact analysis of the existing production operations at the Murphy site operated by E & B. The Murphy site located at 2126 W. Adams Boulevard, Los Angeles, California as shown in Figure 1-1. The scope of the noise assessment includes following:

- A brief description of the fundamentals of noise.
- A discussion of the utilized noise modeling methodology.
- Analysis of the noise impacts associated with current production activities at the site.



Figure 1-1 Murphy Site Location



2. Noise Fundamentals

Sound is most commonly experienced by people as pressure waves passing through air. These rapid fluctuations in air pressure are processed by the human auditory system to produce the sensation of sound. The rate at which sound pressure changes occur is called the frequency. Frequency is usually measured as the number of oscillations per second or Hertz (Hz). Frequencies that can be heard by a healthy human ear range from approximately 20 Hz to 20,000 Hz. Toward the lower end of this range are low-pitched sounds, including those that might be described as a "rumble" or "boom". At the higher end of the range are high-pitched sounds that might be described as a "screech" or "hiss".

Environmental noise generally derives, in part, from a combination of distant noise sources. Such sources may include common experiences such as distant traffic, wind in trees, and distant industrial or farming activities. These distant sources create a low-level "background noise" in which no particular individual source is identifiable. Background noise is often relatively constant from moment to moment, but varies slowly from hour to hour as natural forces change or as human activity follows its daily cycle.

Superimposed on this low-level, slowly varying background noise is a succession of identifiable noisy events of relatively brief duration. These events may include the passing of single-vehicles, aircraft flyovers, screeching of brakes, and other short-term events. The presence of these short-term events causes the noise level to fluctuate. Typical indoor and outdoor A-weighted sound levels are shown in Figure 2-1. Detailed acoustical definitions have been provided in Appendix B.

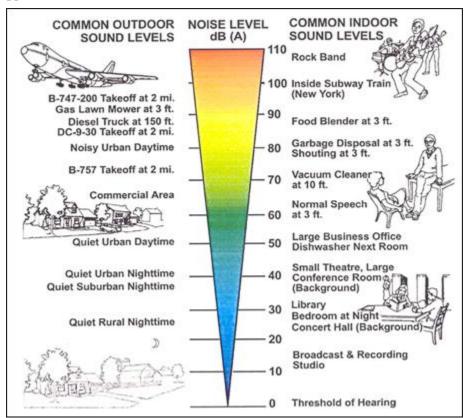


Figure 2-1 Typical Indoor and Outdoor A-Weighted Sound Levels



3. Operational Noise Modeling

3.1 Noise Modeling Procedure

The noise modeling was completed with use of three-dimensional computer noise modeling software. All models in this report were developed with SoundPLAN 9.0 software using the ISO 9613-2 standard. Noise levels are predicted based on the locations, noise levels and frequency spectra of the noise sources, and the geometry and reflective properties of the local terrain, buildings and barriers. To ensure a conservative assessment and compliance with ISO 9613-2 standards, light to moderate winds are assumed to be blowing from the source to receptor.

The modeled noise levels represent only the contribution of the normal production operations at the site and do not include ambient noise. Actual field sound level measurements may vary from the modeled noise levels due to existing non-operation related noise sources such as traffic, other human activity, or environmental factors.

The production facility operational noise model was created to predict the constant, steady-state noise levels at the Murphy site and adjacent surroundings. The equipment sound data utilized in the modeling were derived from field measured sound levels on May 16, 2023. Short-duration, spot sound level measurements were conducted at varying distances from the noise emitting equipment at the site. Measurements were also conducted around the perimeter of the site. The modeling includes existing masonry walls installed at the site. Noise sources included in the modeling were compressors and other production equipment as shown in Figure 3-1. Workover rigs were not included in the modeling.

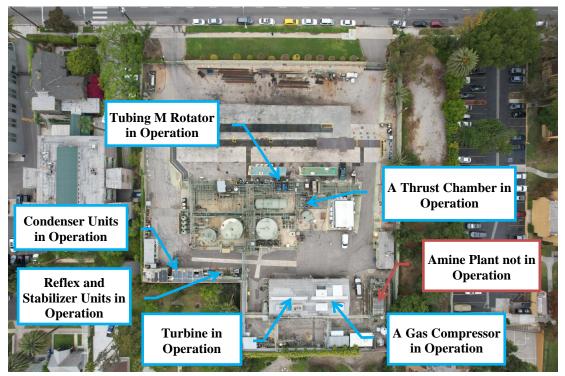


Figure 3-1 Murphy Site Layout



3.2 Noise Model Receptors

Receptor locations were selected to evaluate the noise impact of the operations at and nearby the site. Figure 3-2 shows the locations of the selected receptors. Receptor 1 through Receptor 3 are replicated from a previous existing neighborhood sound level survey conducted in the neighborhood area surrounding the site from Tuesday, May 2 through May 5, 2023. Receptor 4 through Receptor 8 represent properties adjacent to the site. Table 3-1 indicates the details of the receptors.

Table 3-1 Receptor Detail

Receptor					
R1	R1 Along Cimarron St. (Replica of a Previous Survey Location)				
R2 South of the Site (Replica of a Previous Survey Location)					
R3	Along South St. Andrews Pl. (Replica of a Previous Survey Location)				
R4	Southwestern Property (2148 W. 26 th Pl.)				
R5 Westerly Adjacent Property (2136 W. Adams Blvd.)					
R6	Northern Property (2117 W. Adams Blvd.)				
R7	Southeasterly Property (2094 W. Adams Blvd.)				
R8	Easterly Property (2094 W. Adams Blvd.)				

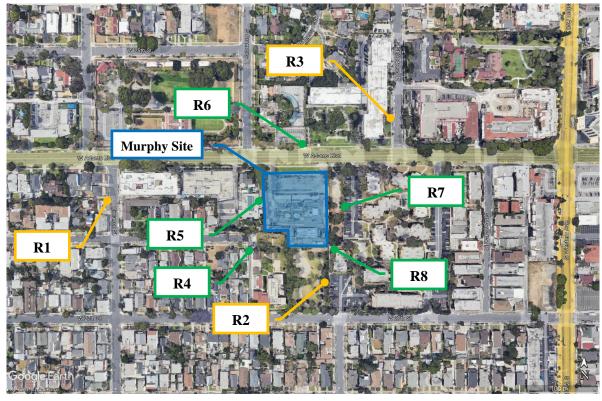


Figure 3-2 Receptor Locations

Environmental Noise Control



3.3 Noise Modeling Results - Current Conditions

The calculated noise levels represent only the contribution of the modeled facility operations and do not include ambient noise or noise from other equipment. Actual field sound level measurements may vary from the modeled noise levels due to other noise sources such as traffic, other facilities, other human activity, or environmental factors.

The results of the noise modeling are presented in Table 3-2. The locations in the tables correspond to the receptor locations identified in Figure 3-2. The noise modeling results indicate that the predicted noise level will be up to 64.7 dBA at Receptor 5 (2nd fl) for the existing conditions scenario.

Table 3-2 Noise Modeling Results (dBA)

Receptor	Current Condition Predicted Noise Levels		
R1	41.1		
R2	44.8		
R3	46.7		
R4	51.8		
R5	53.0		
R5 (2 nd fl)	64.7		
R6	51.3		
R7	60.9		
R8	45.4		

The results of the noise modeling are shown in Figure 3-3 as noise contour maps. The noise contours are provided in 5 dB increments with the color scale indicating the sound level of each contour.

For the evaluation of existing conditions predicted noise levels, previously measured existing neighborhood sound level survey data (conducted from Tuesday, May 2 through May 5, 2023) were referenced as shown in Table 3-3.

Table 3-3 Previously Measured Existing Neighborhood Sound Levels (dBA)

Measured Data	R1	R2	R3
Lowest Measured Daytime Average	64.4	55.8	65.8
Lowest Measured Nighttime Average	60.2	51.5	61.6
Lowest Measured Hourly Noise Level	51.6	48.2	58.5

Based on the previously measured existing neighborhood sound level survey data, the facility operation does not generate a significant noise impact at the evaluated receptor locations.



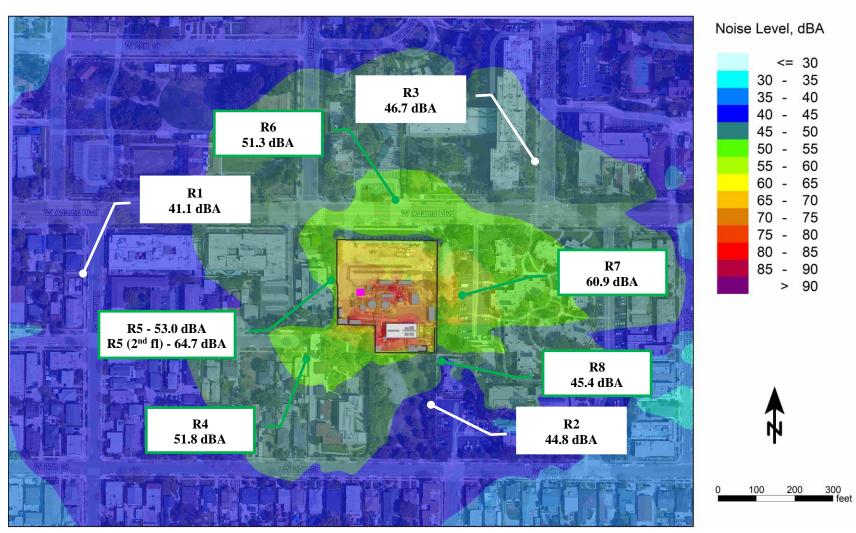


Figure 3-3 Existing Conditions Operational Noise Contour Map (dBA)



3.4 Noise Modeling Results - Proposed Sound Barrier Walls

To investigate the effectiveness of implementing noise mitigation at the site, a mitigated modeling scenario was created.

- A total of 220 linear feet of 20-foot-high, Sound Transmission Class (STC) 32 Acoustic Barrier Wall installed on the west side of the site.
- A total of 220 linear feet of 32-foot-high, Sound Transmission Class (STC) 32 Acoustic Barrier Wall installed on the on the east side of the site.

The modeled mitigation layouts are show in Figure 3-4.



Figure 3-4 Modeled Sound Barrier Wall Layout

The calculated noise levels represent only the contribution of the modeled facility operations and do not include ambient noise or noise from other equipment. Actual field sound level measurements may vary from the modeled noise levels due to other noise sources such as traffic, other facilities, other human activity, or environmental factors. The predicted noise levels are based on the mitigation layout detailed above.

Environmental Noise Control



The results of the noise modeling are presented in Table 3-4. The locations in the tables correspond to the receptor locations identified in Figure 3-2. The noise modeling results indicate that the predicted noise level will be up to 53.0 dBA at Receptor 5 (2nd fl) and Receptor 6.

Table 3-4 Mitigated Noise Modeling Results (dBA)

Receptor	Predicted Mitigated Noise Levels		
R1	39.8		
R2	44.8		
R3	43.2		
R4	51.8		
R5	46.9		
R5 (2 nd fl)	53.0		
R6	53.0		
R7	46.0		
R8	45.5		

The results of the noise modeling are shown in Figure 3-5 as noise contour maps. The noise contours are provided in 5 dB increments with the color scale indicating the sound level of each contour.

For the evaluation of mitigated predicted noise levels, previously measured existing neighborhood sound level survey data (conducted from Tuesday, May 2 through May 5, 2023) were referenced as shown in Table 3-5.

Table 3-5 Previously Measured Existing Neighborhood Sound Levels (dBA)

Tuble 8 8 Treviously Fleusureu Existing Weighborhood Sound Levels (ubit)			
Measured Data	R1	R2	R3
Lowest Measured Daytime Average	64.4	55.8	65.8
Lowest Measured Nighttime Average	60.2	51.5	61.6
Lowest Measured Hourly Noise Level	51.6	48.2	58.5

Based on the previously measured existing neighborhood sound level survey data, the facility operation does not generate a significant noise impact at the evaluated receptor locations.



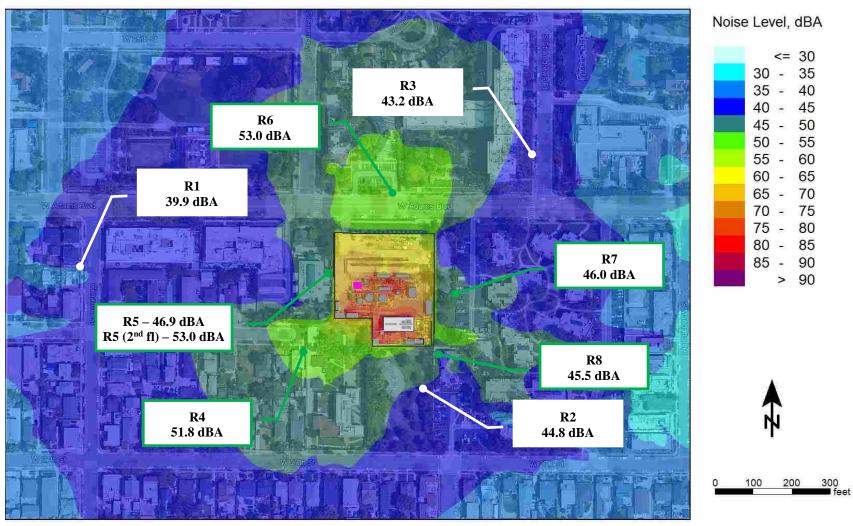


Figure 3-5 Mitigated Facility Operational Noise Contour Map (dBA)

Environmental Noise Control



4. Conclusion

A noise assessment was conducted to analyze the operational noise impact associated with the existing production operations at the Murphy site operated by E & B. The Murphy site is located at 2126 W. Adams Boulevard, Los Angeles, California.

The current condition operational noise modeling results of Murphy facility indicate that the predicted noise level will be up to 64.7 dBA Receptor 5 (2^{nd} fl) as shown in Table 4-1.

Table 4-1 Noise Modeling Results (dBA)

Receptor	Current Condition Predicted Noise Levels		
R1	41.1		
R2	44.8		
R3	46.7		
R4	51.8		
R5	53.0		
R5 (2 nd fl)	64.7		
R6	51.3		
R7	60.9		
R8	45.4		

The operational noise modeling results with proposed sound barrier walls indicate that the predicted noise level will be up to 58.2 dBA at Receptor 7 as shown in Table 4-2.

Table 4-2 Noise Modeling Results (dBA)

Receptor	Predicted Noise Levels		
R1	39.8		
R2	44.8		
R3	43.2		
R4	51.8		
R5	46.9		
R5 (2 nd fl)	53.0		
R6	53.0		
R7	46.0		
R8	45.5		

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Environmental Noise Control



Based on the previously measured existing neighborhood sound level survey data (conducted on Tuesday, May 2 through May 5, 2023) as shown in Table 4-3, the facility operation does not generate a significant noise impact at the evaluated receptor locations.

Table 4-3 Previously Measured Existing Neighborhood Sound Levels (dBA)

Measured Data	R1	R2	R3
Lowest Measured Daytime Average	64.4	55.8	65.8
Lowest Measured Nighttime Average	60.2	51.5	61.6
Lowest Measured Hourly Noise Level	51.6	48.2	58.5

Additionally, additional noise modeling scenarios representing a workover rig operating at the Murphy site were modeled and included in Appendix A.

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Environmental Noise Control

Appendix A - Additional Workover Rig Model



Additional workover rig noise modeling scenarios were evaluated. An equipment spot sound level survey for a workover rig was conducted at the Angus Petroleum site located at 1809 Delaware Street, Huntington Beach, California on Friday, August 11, 2023. During the survey, short-duration, spot sound level measurements were conducted at varying distance from the operating workover rig. The spot survey included the measurement and recording of both A-weighted and 1/3 octave band frequency sound levels.

In the workover rig noise model, the rig was placed at the southeasternmost column to represent the worst-case noise scenario for the eastern neighborhood. The noise modeling results are dependent on the workover rig and auxiliary equipment layout and operating conditions at the time the equipment was surveyed. Changes or additions to any equipment (e.g., generators, motors, pumps trucks. Pumps. etc.) may result in operational noise levels that are inconsistent with the modeling results.

Two scenarios were created to represent workover rig operation at Murphy site. The first scenario represents the workover rig operation without any mitigation. The second scenario represents the workover rig operation with a 20-foot Sound Barrier Wall installed along the western property line, a 32-ft Sound Barrier Wall installed along the eastern property line, and 12-foot Acoustical Panels installed on the west and north sides of the workover rig as shown in Figure A-1.



Figure A-1 Modeled Workover Rig and Mitigation Layout at Murphy Site

Environmental Noise Control

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The calculated noise levels represent only the contribution of the modeled facility and workover rig operations and do not include ambient noise or noise from other equipment. Actual field sound level measurements may vary from the modeled noise levels due to other noise sources such as traffic, other facilities, other human activity, or environmental factors.

The results of the noise modeling are presented in Table A-1. The locations in the tables correspond to the receptor locations identified in Figure 3-2. The noise modeling results indicate that the predicted noise levels will be up to 74.9 dBA at Receptor 7 with current conditions and up to 64.5 dBA at Receptor 6 for mitigated scenario (with 20-ft STC-32 Sound Barrier Wall installed along the western property line and 32-ft STC-32 Sound Barrier Wall installed along the eastern property line). An approximate 17 dB noise reduction is anticipated at Receptor 7 due to the presence of the sound barrier walls.

Table A-1 Workover Rig Operational Noise Modeling Results (dBA)

Receptor	Predicted Noise Levels w Current Conditions	Predicted Noise Levels w 32ft Eastern & 20ft Western Sound Barrier Wall
R1	52.0	49.7
R2	51.3	51.7
R3	62.8	59.3
R4	53.9	54.8
R5	61.5	55.0
R5 (2 nd fl)	74.7	61.0
R6	68.7	64.5
R7	74.9	58.3
R8	55.1	56.5

The results of the noise modeling are shown in Figure A-1 and Figure A-2 as noise contour maps. The noise contours are provided in 5 dB increments with the color scale indicating the sound level of each contour.



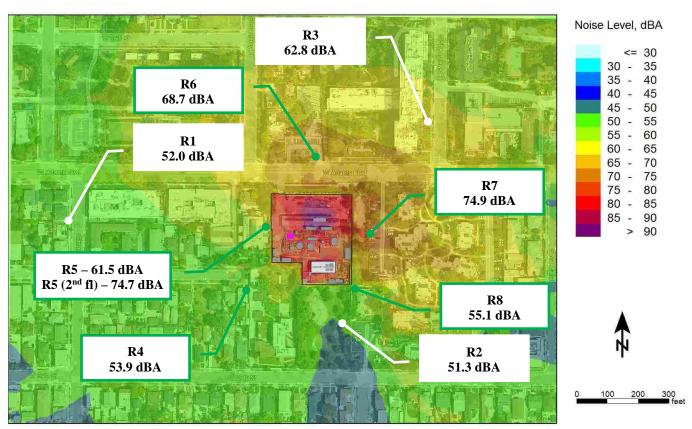


Figure A-1 Unmitigated Workover Rig Operational Noise Contour Map (dBA)



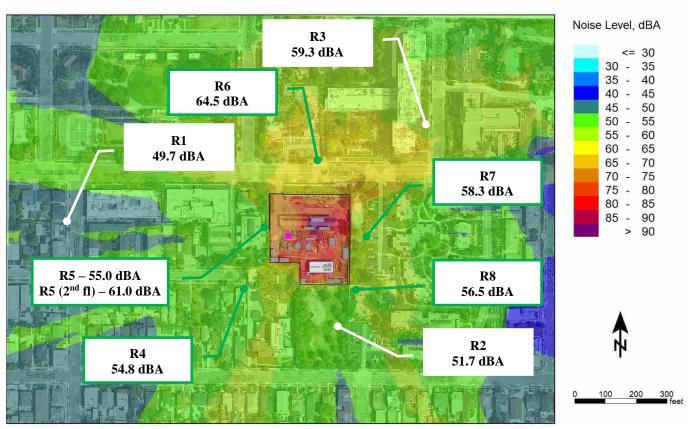


Figure A-2 Mitigated Workover Rig Operational Noise Contour Map (dBA)

Behrens and Associates, Inc.

Environmental Noise Control

Appendix B - Glossary of Acoustical Terms

Environmental Noise Control



Ambient Noise

The all-encompassing noise associated with a given environment at a specified time, usually a composite of sound from many sources both near and far.

Average Sound Level

See Equivalent-Continuous Sound Level

A-Weighted Sound Level, dB(A)

The sound level obtained by use of A-weighting. Weighting systems were developed to measure sound in a way that more closely mimics the ear's natural sensitivity relative to frequency so that the instrument is less sensitive to noise at frequencies where the human ear is less sensitive and more sensitive at frequencies where the human ear is more sensitive.

Community Noise Equivalent Level (CNEL)

A 24-hour A-weighted average sound level which takes into account the fact that a given level of noise may be more or less tolerable depending on when it occurs. The CNEL measure of noise exposure weights average hourly noise levels by 5 dB for the evening hours (between 7:00 pm and 10:00 pm), and 10 dB between 10:00 pm and 7:00 am, then combines the results with the daytime levels to produce the final CNEL value. It is measured in decibels, dB.

Day-Night Average Sound Level (Ldn)

A measure of noise exposure level that is similar to CNEL except that there is no weighting applied to the evening hours of 7:00 pm to 10:00 pm. It is measured in decibels, dB.

Daytime Average Sound Level

The time-averaged A-weighted sound level measured between the hours of 7:00 am to 7:00 pm. It is measured in decibels, dB.

Decay Rate

The time taken for the sound pressure level at a given frequency to decrease in a room. It is measured in decibels per second, dB/s.

Decibel (dB)

The basic unit of measurement for sound level.

Direct Sound

Sound that reaches a given location in a direct line from the source without any reflections.

Divergence

The spreading of sound waves from a source in a free field, resulting in a reduction in sound pressure level with increasing distance from the source.

Energy Basis

This refers to the procedure of summing or averaging sound pressure levels on the basis of their squared pressures. This method involves the conversion of decibels to pressures, then performing the necessary arithmetic calculations, and finally changing the pressure back to decibels.

Environmental Noise Control



Equivalent-Continuous Sound Level (Leq)

The average sound level measured over a specified time period. It is a single-number measure of time-varying noise over a specified time period. It is the level of a steady sound that, in a stated time period and at a stated location, has the same A-Weighted sound energy as the time-varying sound. For example, a person who experiences an Leq of 60 dB(A) for a period of 10 minutes standing next to a busy street is exposed to the same amount of sound energy as if he had experienced a constant noise level of 60 dB(A) for 10 minutes rather than the time-varying traffic noise level. It is measured in decibels, dB.

Fast Response

A setting on the sound level meter that determines how sound levels are averaged over time. A fast sound level is always more strongly influenced by recent sounds, and less influenced by sounds occurring in the distant past, than the corresponding slow sound level. For the same non-steady sound, the maximum fast sound level is generally greater than the corresponding maximum slow sound level. Fast response is typically used to measure impact sound levels.

Field Impact Insulation Class (FIIC)

A single number rating similar to the impact insulation class except that the impact sound pressure levels are measured in the field.

Field Sound Transmission Class (FSTC)

A single number rating similar to sound transmission class except that the transmission loss values used to derive this class are measured in the field.

Flanking Sound Transmission

The transmission of sound from a room in which a source is located to an adjacent receiving room by paths other than through the common partition. Also, the diffraction of noise around the ends of a barrier.

Frequency

The number of oscillations per second of a sound wave

Hourly Average Sound Level (HNL)

The equivalent-continuous sound level, Leq, over a 1-hour time period.

Impact Insulation Class (IIC)

A single number rating used to compare the effectiveness of floor/ceiling assemblies in providing reduction of impact-generated sound such as the sound of a person's walking across the upstairs floor.

Impact Noise

The noise that results when two objects collide.

Impulse Noise

Noise of a transient nature due to the sudden impulse of pressure like that created by a gunshot or balloon bursting.

Insertion Loss

The decrease in sound power level measured at the location of the receiver when an element (e.g., a noise barrier) is inserted in the transmission path between the sound source and the receiver.

Environmental Noise Control



Inverse Square Law

A rule by which the sound intensity varies inversely with the square of the distance from the source. This results in a 6dB decrease in sound pressure level for each doubling of distance from the source.

Ln Sound Level

Time-varying noise environments may be expressed in terms of the noise level that is exceeded for a certain percentage of the total measurement time. These statistical noise levels are denoted L_n , where n is the percent of time. For example, the L_{50} is the noise level exceeded for 50% of the time. For a 1-hour measurement period, the L_{50} would be the noise level exceeded for a cumulative period of 30 minutes in that hour.

Masking

The process by which the threshold of hearing for one sound is raised by the presence of another sound.

Maximum Sound Level (Lmax)

The greatest sound level measured on a sound level meter during a designated time interval or event.

NC Curves (Noise Criterion Curves)

A system for rating the noisiness of an occupied indoor space. An actual octave-band spectrum is compared with a set of standard NC curves to determine the NC level of the space.

Noise Isolation Class (NIC)

A single number rating derived from the measured values of noise reduction between two enclosed spaces that are connected by one or more partitions. Unlike STC or NNIC, this rating is not adjusted or normalized to a measured or standard reverberation time.

Noise Reduction

The difference in sound pressure level between any two points.

Noise Reduction Coefficient (NRC)

A single number rating of the sound absorption properties of a material. It is the average of the sound absorption coefficients at 250, 500, 1000, and 2000 Hz, rounded to the nearest multiple of 0.05.

Normalized Noise Isolation Class (NNIC)

A single number rating similar to the noise isolation class except that the measured noise reduction values are normalized to a reverberation time of 0.5 seconds.

Octave

The frequency interval between two sounds whose frequency ratio is 2. For example, the frequency interval between 500 Hz and 1,000 Hz is one octave.

Octave-Band Sound Level

For an octave frequency band, the sound pressure level of the sound contained within that band.

One-Third Octave

The frequency interval between two sounds whose frequency ratio is $2^{(1/3)}$. For example, the frequency interval between 200 Hz and 250 Hz is one-third octave.

Environmental Noise Control



One-Third-Octave-Band Sound Level

For a one-third-octave frequency band, the sound pressure level of the sound contained within that band.

Outdoor-Indoor Transmission Class (OITC)

A single number rating used to compare the sound insulation properties of building façade elements. This rating is designed to correlate with subjective impressions of the ability of façade elements to reduce the overall loudness of ground and air transportation noise.

Peak Sound Level (Lpk)

The maximum instantaneous sound level during a stated time period or event.

Pink Noise

Noise that has approximately equal intensities at each octave or one-third-octave band.

Point Source

A source that radiates sound as if from a single point.

RC Curves (Room Criterion Curves)

A system for rating the noisiness of an occupied indoor space. An actual octave-band spectrum is compared with a set of standard RC curves to determine the RC level of the space.

Real-Time Analyzer (RTA)

An instrument for the determination of a sound spectrum.

Receiver

A person (or persons) or equipment which is affected by noise.

Reflected Sound

Sound that persists in an enclosed space as a result of repeated reflections or scattering. It does not include sound that travels directly from the source without reflections.

Reverberation

The persistence of a sound in an enclosed or partially enclosed space after the source of the sound has stopped, due to the repeated reflection of the sound waves.

Room Absorption

The total absorption within a room due to all objects, surfaces and air absorption within the room. It is measured in Sabins or metric Sabins.

Slow Response

A setting on the sound level meter that determines how measured sound levels are averaged over time. A slow sound level is more influenced by sounds occurring in the distant past that the corresponding fast sound level.

Sound

A physical disturbance in a medium (e.g., air) that is capable of being detected by the human ear.

Sound Absorption Coefficient

A measure of the sound-absorptive property of a material.

Environmental Noise Control



Sound Insulation

The capacity of a structure or element to prevent sound from reaching a receiver room either by absorption or reflection.

Sound Level Meter (SLM)

An instrument used for the measurement of sound level, with a standard frequency-weighting and standard exponentially weighted time averaging.

Sound Power Level

A physical measure of the amount of power a sound source radiates into the surrounding air. It is measured in decibels.

Sound Pressure Level

A physical measure of the magnitude of a sound. It is related to the sound's energy. The terms sound pressure level and sound level are often used interchangeably.

Sound Transmission Class (STC)

A single number rating used to compare the sound insulation properties of walls, floors, ceilings, windows, or doors. This rating is designed to correlate with subjective impressions of the ability of building elements to reduce the overall loudness of speech, radio, television, and similar noise sources in offices and buildings.

Source Room

A room that contains a noise source or sources

Spectrum

The spectrum of a sound wave is a description of its resolution into components, each of different frequency and usually different amplitude.

Tapping Machine

A device used in rating different floor constructions against impacts. It produces a series of impacts on the floor under test, 10 times per second.

Tone

A sound with a distinct pitch

Transmission Loss (TL)

A property of a material or structure describing its ability to reduce the transmission of sound at a particular frequency from one space to another. The higher the TL value the more effective the material or structure is in reducing sound between two spaces. It is measured in decibels.

White Noise

Noise that has approximately equal intensities at all frequencies.

Windscreen

A porous covering for a microphone, designed to reduce the noise generated by the passage of wind over the microphone.



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September 5, 2023

City Planning Commission of Los Angeles 200 North Spring Street, Room 701 Los Angeles, CA 90012 cpc@lacity.org

Re: Supplemental Submission in support of Appeal of ZA-2022-8997-ZAI-1A - Zoning Administrator's Interpretation of Well Maintenance

Dear Commissioners:

We represent E & B Natural Resources Management Corporation, Hillcrest Beverly Oil Corporation, E&B ENR I, LLC, and Elysium Natural Resources, LLC (collectively, "E&B") regarding E&B's Appeal of the City of Los Angeles Department of City Planning's ("City Planning") "Zoning Administrator's Interpretation" ("ZAI") and "Zoning Administrator's Memorandum (ZA Memo) 141" ("ZA Memo 141"), both circulated on January 17, 2023.

E&B timely filed its appeal to the ZAI and ZA Memo 141 on January 31, 2023. (Attached as Exhibit A.) When filing its appeal, E&B received a notification that the City Planning Commission ("CPC") has rejected the appeal for ZA Memo 141. (Exhibit B [1/31/2023 Rejection Note].) Based on the CPC's rejection of E&B's appeal of ZA Memo 141, E&B subsequently amended its Complaint challenging Ordinance No. 187,709 ("Oil Ordinance") to include allegations related to ZA Memo 141. As such, this submission is limited to a discussion of E&B's appeal of the ZAI.

The hearing for E&B's appeal to the ZAI is scheduled for public hearing on September 14, 2023. E&B now submits this letter ahead of the September 14, 2023 public hearing in order to supplement E&B's appeal as to the ZAI. By this letter, E&B joins in the submissions made in connection with the concurrent appeals of the ZAI filed by Warren Resources, Native Oil Producers and Employees of California ("NOPEC") and Western States Petroleum Association ("WSPA").

In the ZAI, City Planning has dramatically expanded the scope of the Oil Ordinance, prohibiting a wide range of normal and necessary maintenance functions required for ongoing petroleum operations. As shown by a recent California Supreme Court decision,

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the ZAI is entirely preempted by state law. (*Chevron U.S.A. Inc. v. Cty. of Monterey* (2023) 15 Cal.5th 135 ("*County of Monterey*").) The Supreme Court has stated that the State Legislature has delegated exclusive authority to the State Oil and Gas Supervisor to determine what methods of oil production are appropriate in each case. The ZAI has taken an entire category of operations subject to permitting by the State and made itself the ultimate arbiter as to whether those operations should continue. This ZAI is even more obviously preempted than the facts at issue before the Supreme Court.

In addition, the ZAI has interfered with E&B's vested permitting rights by revoking, modifying or imposing new conditions in existing permits allowing for the continued use of maintenance operations, and by interfering with existing leases between E&B and the City. Further, the ZAI is invalid for the additional reasons explained in E&B's initial appeal of the ZAI, which are hereby incorporated by reference. (See Exhibit A.)

I. Maintenance Activities Are a Normal and Necessary Part of E&B's Operations.

As discussed in the Declaration of Louis Zylstra, submitted concurrently, E&B holds fee and leasehold interests in mineral rights that are under active operation within the City. E & B Natural Resources Management Corporation and Hillcrest Beverly Oil Corporation are also operators of oil and gas facilities located within the City. E&B collectively produces over 8,000 barrels of oil per day for Californians including Los Angelenos. Over 250 staff work for E&B, many in the Los Angeles area. These operations have been the subject of extensive permitting and zoning approvals by the City, and they are also subject to rigorous oversight by the California Geologic Energy Management Division ("CalGEM"), the state agency in charge of regulating oil and gas production.¹

E & B Natural Resources Management Corporation currently conducts oil and gas operations at several locations within the City of Los Angeles. The San Vicente facility is located in the vicinity of San Vicente Boulevard and West Third Street. The Packard facility is located in the vicinity of Pico Boulevard and Genesee Avenue in the City of Los Angeles, CA. The San Vicente and Packard facilities collectively extract from 1,297 acres of mineral interests. The Murphy facility is located in the vicinity of West Adams Boulevard and Western Avenue, and it extracts from 960 acres of mineral interests. E & B Natural Resources Management Corporation conducts oil production operations within the City in the South Torrance oilfield in the vicinity of East Pacific Coast Highway and Wilmington Boulevard and extracting from 330 acres of mineral interests. E & B Natural Resources Management Corporation also conducts oil production operations within the City in the

¹ In addition to the specific exhibits attached hereto, E&B also submits concurrently pertinent zoning approvals and permitting documents relevant to its operations within the City, which are being provided through an FTP link and flash drive.

Wilmington oilfield in the vicinity of W. Sepulveda Boulevard and S. Main Street and extracting from 146 acres of mineral interests.

Hillcrest Beverly Oil Corporation currently conducts oil and gas operations at the Hillcrest Country Club facility, located in the vicinity of West Pico Boulevard and Avenue of the Stars, and at the Rancho Park Golf Club facility, located in the vicinity of West Pico Boulevard and Beverly Glen Boulevard. These two facilities collectively extract from 617 acres of mineral interests.

In addition to owning some mineral rights directly in fee, E&B also lease mineral rights from mineral interest owners. E&B ENR I, LLC holds mineral interests in fee and leasehold for the San Vicente and Packard facilities. Elysium Natural Resources, LLC holds mineral interests in fee and leasehold for the Murphy facility and for some of the operations by E & B Natural Resources Management Corporation within the Torrance oilfield. Hillcrest Beverly Oil Corporation also holds mineral interests in fee and leasehold for its operations at the Hillcrest Country Club and Rancho Park Golf Club facilities. E & B Natural Resources Management Corporation also holds mineral interests in fee and leasehold for its operations at the Torrance and Wilmington oilfields.

E&B's operations in the City of Los Angeles have approximately 15,000 royalty owners. E&B collectively pays pay approximately \$11 million annually in royalty payments and related payments, such as advanced royalty payments or surface rentals to royalty owners. These royalty payments are computed based on the value of production from each mineral lease.

In addition to the drilling and operation of production wells to extract oil, E&B's operations require the use of injection wells. In the majority of E&B's operations, injection wells are used as part of a waterflood secondary recovery. Waterflooding involves the injection of water to increase the mobilization of oil within the underlying reservoirs. Waterflooding is necessary for the economic recovery of oil from these formations. In the remaining sites, injection wells are used to re-inject the wastewater that is produced with the recoverable oil. Without the re-injection of this wastewater, these operations would quickly become uneconomic as there is no other feasible method of disposing of this wastewater.

Injection wells can become clogged or less effective with time. Routine maintenance such as acidizing is needed to maintain an injection well's ability to inject fluids. Further, as previously noted by Planning staff, "[i]t is a normal and necessary function of petroleum operations to re-drill from established drill sites not only to find and extract additional oil reserves or to correct subsidence problems, but to correct extraction problems which may occur from time to time." (See, e.g., Exhibit C [8/7/97 ZA 18129 PAD] at p. 4.) For instance, the re-drilling of wells is necessary to replace collapsed wells. As the City has stated, "[a] collapsed well is not unusual as it is encountered

throughout the industry with old wells." (See, e.g., Exhibit D [5/6/98 ZA 18129 PAD] at p. 2.) E&B must also frequently conduct maintenance to repair or replace the casing of wells or to add perforations into an existing well. Without the ability to conduct redrilling or maintenance activities, E&B's oil production operations would quickly become uneconomic and not viable for continued use.

II. The *County of Monterey* Opinion Confirms that the ZAI Is Preempted by State Law.

The ZAI is preempted by state law. The California Constitution provides that a "county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations *not in conflict with general laws*." (Cal. Const., Art. XI, § 7, emphasis added.) "If otherwise valid local legislation conflicts with state law, it is preempted by such law and is void." (*County of Monterey, supra*, 15 Cal.5th at p. 142, citing *Sherwin-Williams Co. v. City of Los Angeles* (1993) 4 Cal.4th 893, 897.)

The recent decision by the California Supreme Court in *County of Monterey* specifically held that local governments are preempted from interfering in the regulation of oil and gas operations. In particular, the California Supreme Court held that Monterey County was preempted under state law from prohibiting new drilling and banning the injection and impoundment of oil and gas wastewater.

In this decision, the Supreme Court first interpreted section 3106² of the Public Resources Code, stating that it "directs the [State Oil and Gas] supervisor to administer the state's regulations in a way that serves the dual purpose of *ensuring* the state has adequate oil and gas resources, while protecting the environment." (*County of Monterey, supra*, 15 Cal.5th at p. 144, emphasis added.) Further, section 3106 sets a "mandate that the state 'shall' supervise oil operation in a way that permits well operators to 'utilize *all* methods and practices' the [State Oil and Gas] supervisor has approved[.]" (Id. at p. 145, emphasis in original.)

Applying this standard, California's highest court held that section 3106 "implicitly limits a local entity's authority by expressly providing that the state supervisor shall approve all production methods that are, 'in the opinion of the supervisor,' 'suitable for th[e] purpose' 'of increasing the ultimate recovery of underground hydrocarbons.'" (*Id.* at p. 149, quoting Pub. Resources Code § 3106, subd. (b).) "*By banning some oil production methods altogether*, [the local ordinance] takes those methods off the table

² Section 3106 states, in part, that the "Supervisor shall ... supervise the drilling, operation, maintenance, and abandonment of wells so as to permit owners or operators of wells to utilize all methods and practices known to the oil industry for the purpose of increasing the ultimate recovery of underground hydrocarbons and which, in the opinion of the supervisor, are suitable for this purpose in each proposed case." (Pub. Res. Code §3106, subd. (b), emphasis added.)

and *nullifies the supervisor's express, statutorily conferred authority to decide what oil production methods are suitable in each case.*" (*Ibid.*, emphasis added) In other words, "[b]y providing that certain oil production methods may *never* be used by anyone, anywhere, in the County, [the local ordinance] nullifies—and therefore contradicts—section 3106's mandate that the state 'shall' supervise oil operation in a way that permits well operators to 'utilize *all* methods and practices' the supervisor has approved." (*Id.* at p. 145, emphasis in original.)

Here, the ZAI similarly conflicts with California law and the State Oil and Gas Supervisor's unilateral authority to make decisions regarding oil and gas production methods. The Oil Ordinance bans the drilling of new wells and prohibits the maintenance, drilling, re-drilling, or deepening of existing wells except to prevent or respond to a threat to public health, safety, or the environment. Despite restricting maintenance of existing wells, the Oil Ordinance does not define "maintenance." Instead, the definition for "maintenance" was addressed in the separately issued ZAI, which followed the approval of the Oil Ordinance.

The ZAI provides an "interpretat[ion of] what drill site activities qualify as oil 'well maintenance.'" (ZAI, at p. 1) It defines oil well maintenance "as any scope of work that meets either of the following two criteria:

- A scope of work that requires a Notice of Intention "Rework Permit" to carry out work project on a well from the California Geologic Energy Management Division (CalGEM).
- 2. A scope of work that requires online notification per the South Coast Air Quality Management District's (SCAQMD) Rule 1148.2 "Notification and Reporting Requirements for Oil and Gas Well and Chemical Suppliers."

(ZAI, at p. 1.) Because the ZAI's broad definition of "maintenance" will ban methods of oil production, the ZAI is preempted by state law and should be vacated.

A. The ZAI is Preempted by the Public Resources Code.

Under the new legal framework set forward by the Supreme Court in the County of Monterey decision, the City simply cannot interfere with the State's regulation of methods of oil production.

In defining the scope of "maintenance," the Zoning Administrator simply incorporates CalGEM's definition of activities that require a "Rework" permit, which includes redrilling and maintenance activities. As noted above, the City has already concluded that redrilling is a normal and necessary function of petroleum operations. Similarly, well maintenance activities are absolutely critical to conduct oil production. By

tying its prohibition on maintenance to activities that are specifically subject to permitting by CalGEM, the City is blatantly nullifying and thwarting the Supervisor's express, statutorily conferred authority to determine whether these operations are suitable in each case. There is no doubt after the Supreme Court's decision that the City cannot do this.

Even for maintenance activities that do not currently require permitting by CalGEM, the City cannot interfere with the Supervisor's authority to determine that such methods of oil production should be allowed to take place. For instance, E&B requires acidizing of injection wells in order to maintain waterflood. (Zylstra Decl. ¶¶ 9-11.) Without acidizing, existing injection wells cannot maintain levels of injection needed for economic waterflood. (*Ibid.*) While CalGEM determined that acidizing does not require a Rework NOI or other approval, SCAQMD has decided in a recent amendment that acidizing requires notification to the SCAQMD. The ZAI now converts this notification requirement into a de facto prohibition on acidizing, by tying the scope of the Oil Ordinance's prohibition to all activities subject to SCAQMD's notification requirements.

Even though ZAI defines its scope based on SCAQMD rules, the Public Resources Code still preempts the City from prohibiting methods of oil production. Even if CalGEM allows acidizing without an approval, the Supervisor, not the City, has been delegated the authority in the State for deciding whether this activity should go forward. By prohibiting acidizing operations unless the Zoning Administrator decides that it is necessary for a health and safety purpose, the City has elevated itself to the level of Oil and Gas Supervisor. The Oil and Gas Supervisor has the statutory duty to determine what methods of oil production are suitable in a given case, and the City cannot use the ZAI to usurp the Supervisor's role.

Even worse, the ZAI's expansive interpretation of the Oil Ordinance is directly antagonistic to the State Oil and Gas Supervisor's mandate as directed by the Legislature that he shall work to "increas[e] the ultimate recovery of underground hydrocarbons." (Public Resources Code § 3106, subd. (b).) But by broadening the scope of an already draconian Oil Ordinance, the ZAI will put into effect "a ban on certain oil production methods in [the City of Los Angeles's] existing oil fields" (see Cty. of Monterey, supra, 15 Cal. 5th at p. 147) and will effectively phase out oil and gas production in the City. (Zylstra Decl. ¶¶ 9-11.) As did the County of Monterey, the City has overstepped its authority by modifying and seeking to oversee activities already regulated by CalGEM and the State Oil and Gas Supervisor.

In doing so, the City's adoption of the ZAI stands directly in front of and frustrates CalGEM and the State Oil and Gas Supervisor's ability to "administer the state's regulations in a way that serves the dual purpose of ensuring the state has adequate oil and gas resources, while protecting the environment." (Cty. of Monterey, supra, 15 Cal.

5th at p. 144.) Taken together, the City lacks the statutory authority or justification to impose unnecessary requirements that are intended to address issues that the Legislature has already conferred authority to other agencies to decide. (*See id.* at p. 149.) Consequently, the ZAI is preempted and should be sent back to Planning Staff for reconsideration.

B. The ZAI Is Also Preempted for Interfering with SCAQMD's Authority.

On its own grounds, the City cannot simply prohibit all activity that is the subject of SCAQMD's notification requirements. The SCAQMD has extensive rules regarding the air quality concerns that the City purportedly seeks to address by its new requirements. (See, e.g., SCAQMD Rules 1148.1 and 1148.2.)

The State, in partnership with the Environmental Protection Agency, regulates air pollutants pursuant to the Mulford-Carrell Air Resources Act and the federal Clean Air Act. (See Cal. Health & Saf. Code, § 39000 et. seq.; 42 U.S.C. § 7401 et seq.) The Clean Air Act establishes the maximum concentration levels of certain pollutants and requires each state to adopt a state implementation plan to "meet federal ambient air quality standards in each state's air basins." (So. Cal. Gas Co. v. So. Coast Air Quality Mgmt. Dist. (2012) 200 Cal.App.4th 251, 268-69; 42 U.S.C.A. §§ 7408-7409; Health & Saf. Code, § 39602.5 ["The state board shall adopt rules and regulations pursuant to Section 43013 that, in conjunction with other measures adopted by the state board, the districts, and the United States Environmental Protection Agency, will achieve ambient air quality standards required by the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.) in all areas of the state by the applicable attainment date, and to maintain these standards thereafter"].) The State seeks to achieve these air quality standards through "an intensive, coordinated, state, regional, and local effort to protect and enhance the ambient air quality of the state." (Health & Saf. Code, § 39001.)

As part of this coordinated effort, "[t]he Legislature has designated *regional air pollution districts* as the primary enforcers of air quality regulations." (*So. Cal. Gas Co. v. So. Coast Air Quality Mgmt. Dist., supra*, 200 Cal.App.4th at 269, emphasis added; *Western Oil & Gas Assn. v. Monterey Bay Unified Air Pollution Control Dist.* (1989) 49 Cal.3d 408, 417-418 ["The air pollution control district is *the* agency charged with enforcing both statewide and district emission controls"], emphasis original.) They "are the mechanism through which the State meets and maintains state and federal air quality standards under the federal Clean Air Act and California law." (*Beentjes v. Placer Cnty. Air Pollution Control Dist.* (9th Cir. 2005) 397 F.3d 775, 782.) Subject to the powers and duties of the State Board, *air districts* are authorized to adopt rules and regulations to achieve and enforce the state and federal air quality standards. (Health & Saf. Code, § 40001(a), emphasis added.) The State Board then "coordinate[s] the activities of all *districts* necessary to comply with [the Clean Air Act]." (Health & Saf. Code, § 39602,

emphasis added.) Thus, the State has delegated authority specifically to air districts—not the City—to protect the State's air resources

Thus, the air districts are delegated authority to regulate air standards, and the City's prohibition of certain activities, which are otherwise allowed by the SCAQMD, contradicts SCAQMD's delegated authority to determine how air quality standards should be met.

C. The ZAI Provides No Justification for Contradicting Statutory Authority Conferred by the State.

By restricting maintenance activities by specifically incorporating the type of activities regulated by CalGEM, the State Oil and Gas Supervisor, and the SCAQMD, the ZAI seeks to prohibit activities that are comprehensively regulated by the State.

The ZAI itself admits that it intends to place the City in a position above the specialized agencies (CalGEM and SCAQMD) that have been specifically delegated authority by the State to regulate in these areas. Throughout the ZAI, it is clear that the Zoning Administrator specifically intends to overrule the Supervisor's determinations on how oil production should be regulated. The ZAI points to scientific research provided to CalGEM as "illustrat[ing] the need to better regulate well maintenance activities." (ZAI at p. 5.) The Zoning Administrator also states in the ZAI that the City should regulate well maintenance activities in a "more comprehensive manner" because CalGEM and SCAQMD "have narrow purviews in what they can regulate." (Ibid.)

Midway through the ZAI, the Zoning Administrator apparently realized that the ZAI improperly intends to foist the Zoning Administrator's authority above that of the regulators at CalGEM and SCAQMD in determining how to regulate subsurface maintenance operations or air quality. So, the ZAI half-heartedly rattles of a laundry list of potential negative land use impacts to surrounding communities that may be impacted by well maintenance, such as noise, traffic, transportation circulation, noise, aesthetics, and odors. (ZAI at p. 5.) But the ZAI makes no attempt to show that these are more than hypothetical impacts, and they are definitively *not* the basis for the determination in the ZAI, as the only specific discussion of potential impacts involve studies directly implicating CalGEM and the SCAQMD. (ZAI at pp. 4-5.)

III. The ZAI Interferes with E&B's Vested Rights without Appropriate Procedural Safeguards

In addition to the fact that the ZAI is entirely preempted by state law, the ZAI also improperly interferes with E&B's vested property rights. E&B engages in significant oil production at several sites throughout the City of Los Angeles. E&B has a vested property interest in continued oil production in these sites, which has been legally permitted by

the City. E&B operates within oil drilling districts that were enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01.

E&B has received permits or zoning approvals from the City to conduct oil production operations on its properties. These permits establish conditions, as well as a process for additional modifications or condition review of these existing permits. (Zylstra Decl. ¶ 13.) These permit conditions allowing for subsequent modifications are being invalidated by the City. In order to rescind existing permit approvals, the City must show that such action is necessary to abate a nuisance. The City has made no attempt to make that showing.

In 2017, the City adopted ZA Memo 133, which, among other things, requires a public hearing and environmental review under CEQA for any modification of previously approved determination of conditions. (Exhibit E [ZA Memo 133].) In an appeal related to a challenge to ZA Memo 133, the California Court of Appeal upheld the validity of ZA Memo 133 on the basis that the City would still need to comply with the nuisance abatement procedures in Section 12.27.1 before it could modify, discontinue or revoke a previously approved condition in an existing permit:

In other words, the authority that Memorandum 133 explicitly confers upon the City with respect to modifications of previously approved conditions is authority that has existed all along. Nothing in Memorandum 133 indicates that the notice and hearing protections set forth in City Code section 12.27.1 would not apply before the City decided to modify, discontinue, or revoke a previously approved condition in an existing permit.

(Youth for Envtl. Justice v. City of L.A., No. B282822, 2019 Cal. App. Unpub. LEXIS 1110, at *42 (Feb. 15, 2019) ("YEJ v. City of LA").³

By prohibiting normal maintenance activities, the ZAI also seeks to revoke previously approved conditions in an existing permit that were allowed under its existing permits. The appellate court in *YEJ v. City of LA* held that the City must still initiate a nuisance abatement proceeding in order to modify, discontinue or revoke a previously approved condition. Notwithstanding this holding, the City seeks to prohibit maintenance activities allowed under all existing permits without any attempt to show that such action is necessary to abate a nuisance. (L.A. Municipal Code § 12.27.1.B.)

³ While the YEJ v. City of LA opinion is not a published opinion, it remains binding upon the City under the principles of collateral estoppel. (*Parklane Hosiery Company, Inc. v. Shore* (1979) 439 U.S. 322, 332-333.)

Similarly, the ZAI would prohibit any drilling, redrilling, conversion or other rework activity regardless of whether it has been approved and authorized by a previously approved condition in an existing permit. There is no exception provided to allow operators to show that it has a vested right to conduct a "maintenance" activity that falls within the definition of the ZAI, or requiring that the City show that this action is necessary to abate a public nuisance.

Further, the ZAI would purport to prohibit normal and necessary operations that are vested under E&B's existing permits. As an operator of an extractive use, E&B has a right to conduct the maintenance operations needed to continue operating its existing wells. "The very nature and use of an extractive business contemplates the continuance of such use of the entire parcel of land as a whole, without limitation or restriction to the immediate area excavated at the time the ordinance was passed." (Hansen Bros. Enters. v. Board of Supervisors (1996) 12 Cal.4th 533, 553.) The California Supreme Court in Hansen recognized the "diminishing asset" doctrine and defined the scope of vested rights for mining, quarrying and other extractive uses, recognizing the unique qualities of extractive uses and holding that it includes an expansion of those uses. The ZAI entirely disregards these legal principles.

IV. The City Lacks Authority to Issue the ZAI.

The City claims that Section 12.21-A.2 of the Municipal Code authorizes the Zoning Administrator to determine other uses that may be permitted when in the Zoning Administrator's judgment the other uses are similar to and no more objectionable to the public welfare than the listed use.

Here, the Zoning Administrator has issued an interpretation that would vastly expand the prohibition of uses, in contravention of the General Plan, as discussed in E&B's initial appeal. The City has already recognized that "dependence on foreign oil comes at an increased social, economical [sic] and political cost," and that the approval of continued oil production at existing sites, "by encouraging and facilitating local oil production, under strict controls as to the possible impacts it may have on the immediate vicinity of the production site, will be of direct benefit to the public as a whole." (Exhibit F [3/17/09 Packard ZA18129 PA2] at p. 18; see also Exhibit G [11/25/02 ZA19139 PA] at p. 5.)

Further, legislative actions by the City are required to be taken by the City Council. The ZAI is tantamount to a legislative action, as it is, in essence, an amendment to the Oil Ordinance. If the City intends to impose and enforce conditions like those set forth in the ZAI, despite the obvious impropriety of such regulations as set forth in this letter, the City needs to comply with its own Code and Charter for legislative actions. See City Charter § 240 ["All legislative power of the City except as otherwise provided in the Charter is vested in the Council and shall be exercised by ordinance, subject to the power of veto or

approval by the Mayor as set forth in the Charter."].) Section 12.32 of the Municipal Code provides the process by which the City can approve a proposed land use ordinance. This section provides no role for the Zoning Administrator to approve such an ordinance.

By substantially expanding the scope of the Oil Ordinance, the ZAI has exceeded the authority of the Zoning Administrator and imposed restrictions that are much more objectionable to the public welfare than the Oil Ordinance.

V. The ZAI constitutes a breach of the City's contracts with E&B.

E&B are parties to lease agreements with the City of Los Angeles for certain drillsites. For example, Hillcrest Beverly Oil Corporation is a party to a lease originally entered into in 1959 for the Hillcrest Site. (Exhibit H.) This lease specifically contemplates that the lessee will be allowed to conduct drilling, redrilling, maintenance and servicing of wells as part of the lease. (See *id*.) In adopting the ZAI, the City of Los Angeles is in material breach of its lease agreements with E&B.

For all of these reasons, and the reasons E&B previously set forth in its initial appeal on January 31, 2023 (Exhibit A), we urge the Commissioners to grant the appeal and order the City to rescind the ZAI as it runs contrary to well-established law.

Sincerely,

Nicki Carlsen

DECLARATION OF LOUIS P. ZYLSTRA

I, Louis P. Zylstra, Jr. PE declare and state as follows:

- 1. I am Senior Vice President of Los Angeles Basin and Mid-Continent operations at E & B Natural Resources Management Corporation, and I manage its operations at oil fields in the City of Los Angeles ("City"). As such, I am familiar with the oil and gas operations of E & B Natural Resources Management Corporation and its affiliates Hillcrest Beverly Oil Corporation, E&B ENR I, LLC, and Elysium Natural Resources, LLC (collectively, "E&B"), including such operations in the City. I make this declaration in support of E&B's September 5, 2023 Initial Submission in Support of Appeal of ZA-2022-8897-ZAI-1A Zoning Administrator's Interpretation of Well Maintenance. I have personal knowledge of the facts set forth in this declaration, except as otherwise indicated, and if called to testify, I could and would competently testify to them.
- 2. E&B engages in significant oil and gas production in the City. E&B collectively produces over 8,000 barrels of oil per day for Californians including Angelenos. Over 250 staff work for E&B, many in the Los Angeles area.
- 3. E & B Natural Resources Management Corporation currently conducts oil and gas operations at several locations within the City. The San Vicente facility is located in the vicinity of San Vicente Boulevard and West Third Street. The Packard facility is located in the vicinity of Pico Boulevard and Genesee Avenue in the City of Los Angeles, CA. The San Vicente and Packard facilities collectively extract from 1,297 acres of mineral interests. The Murphy facility is located in the vicinity of West Adams Boulevard and Western Avenue, and it extracts oil and gas from 960 acres of mineral interests. E & B Natural Resources Management Corporation conducts oil production operations within the City in the South Torrance Oil Field in the vicinity of East Pacific Coast Highway and Wilmington Boulevard, which extracts from 330 acres of mineral interests. E & B Natural Resources Management Corporation also conducts oil production operations within the City in the Wilmington Oil Field in the vicinity of W. Sepulveda Boulevard and S. Main Street and extracting from 146 acres of mineral interests.
- 4. E & B Natural Resources Management Corporation has vested property interests in continued oil production in the San Vicente, Packard, and Murphy facilities and the South Torrance

and Wilmington Oil Fields, which have all been legally permitted by the City. E & B Natural Resources Management Corporation operates these facilities and oil fields within an oil drilling district that was enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01.

- 5. Hillcrest Beverly Oil Corporation currently conducts oil and gas operations at the Hillcrest Country Club facility, located in the vicinity of West Pico Boulevard and Avenue of the Stars, and at the Rancho Park Golf Club facility, located in the vicinity of West Pico Boulevard and Beverly Glen Boulevard. These two facilities collectively extract from 617 acres of mineral interests.
- 6. Hillcrest Beverly Oil Corporation has vested property interests in continued oil production at its Hillcrest Country Club and Rancho Park Golf Club facilities. Hillcrest Beverly Oil Corporation operates these facilities within an oil drilling district that was enacted by ordinance by the Los Angeles City Council pursuant to Los Angeles Municipal Code section 13.01.
- 7. E&B also leases mineral rights from mineral interest owners. E&B ENR I, LLC holds mineral interests in fee and leasehold for the San Vicente and Packard facilities. Elysium Natural Resources, LLC holds mineral interests in fee and leasehold for the Murphy facility and for some of the operations by E & B Natural Resources Management Corporation within the Torrance oilfield. Hillcrest Beverly Oil Corporation also holds mineral interests in fee and leasehold for its operations at the Hillcrest Country Club and Rancho Park Golf Club facilities. E & B Natural Resources Management Corporation also holds mineral interests in fee and leasehold for its operations at the Torrance and Wilmington Oil Fields.
- 8. E&B's operations in the City have approximately 15,000 royalty owners. E&B collectively pays approximately \$11 million annually in royalty payments and related payments, such as advanced royalty payments or surface rentals to royalty owners. These royalty payments are computed based on the value of production from each mineral lease.
- 9. In addition to the drilling and operation of production wells to extract oil, E&B's operations also require the use of injection wells. In the majority of E&B's operations, injection wells are used as part of a waterflood secondary recovery. Waterflooding involves the injection of water to increase the mobilization of oil within the underlying reservoirs. Waterflooding is necessary for the

economic recovery of oil from these formations. In the remaining sites, injection wells are used to reinject the wastewater that is produced with the recoverable oil. Without the re-injection of this wastewater, these operations would quickly become uneconomic as there is no other feasible method of disposing of this wastewater. Injection wells can become clogged or less effective with time. Routine maintenance such as acidizing is needed to maintain an injection well's ability to inject fluids.

- 10. It is a normal and necessary function of petroleum operations to redrill from established drill sites not only to find and extract additional reserves or correct subsidence problems, but to correct extraction problems which occur from time to time. E&B must also frequently conduct maintenance of existing wells, for example, to repair or replace the casing of wells or to add perforations into an existing well. Without the ability to conduct redrilling or maintenance activities, E&B's oil production operations would quickly become uneconomic and not viable for continued use.
- 11. E&B routinely undertakes maintenance to its existing wells to continue its operations in the City. To the extent that the maintenance operation involves deepening, redrilling, plugging, or permanently altering in any manner the casing of a well or its function, E&B would typically file a Notice of Intention for a "Rework Permit" from the California Geologic Energy Management Division to conduct certain maintenance activities. For acidizing maintenance, E&B is now required to notify the South Coast Air Quality Management District. These maintenance operations are a necessary function to maintain ongoing oil production, and a field would quickly become non-productive if maintenance was not allowed to continue.
- 12. Hillcrest Beverly Oil Corporation is a lessee to leases with the City of Los Angeles for its oil and gas operations at the Rancho Park Golf Course. These leases specifically contemplate that the lessee will be allowed to conduct drilling, redrilling, maintenance, and servicing of wells as part of the lease.
- 13. E&B has received permits or zoning approvals from the City to conduct oil production operations on its properties. These permits establish conditions, as well as a process for additional modifications or condition review of these existing permits, which are inconsistent with the ZAI and ZA Memo 141.

14. As a result of the ZAI and ZA Memo 141, the permit conditions allowing for subsequent modifications, including redrilling and maintenance activities, are apparently being invalidated by the City without any prior notice to E&B or any opportunity for E&B to be heard on these new procedures. E&B has substantially relied on these permit conditions in planning its operations at the sites within the City.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this _4th__ day of September, 2023, in Fountain Valley, California.

Louis P. Zylstra, Jr. PE

EXHIBIT A

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI



APPLICATIONS:

APPEAL APPLICATION

Instructions and Checklist

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

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

۹.	APPELLATE BODY/CASE INF	ORMATION		
۱.	APPELLATE BODY			
	☐ Area Planning Commission☑ Zoning Administrator	☐ City Planning Com	mission	☐ Director of Planning
	Regarding Case Number: ZA-	2022-8997-ZAI & ZA Me	mo 141	
	Project Address: Citywide			
	Final Date to Appeal: 02/01/20	23		_
2.	APPELLANT			
	Appellant Identity: (check all that apply)	RepresentativeApplicant	□ Property Ow☑ Operator of the	
☐ Person, other than the Applicant, Owner or Operator claiming to be aggrieved				ed
	☐ Person affected by the d	etermination made by the	e Department of Building	and Safety
	☐ Representative ☐ Applicant	☐ Owner☐ Operator	☐ Aggrieved F	Party
3.	APPELLANT INFORMATION			
	Appellant's Name: Nicki Carlse	en		
	Company/Organization: Alstor	a & Bird LLP on behalf of	E & B Natural Resources N	Management Corporation
Mailing Address: 333 South Hope Street, 16th Floor				
	City: Los Angeles	State: Cali	fornia	Zip: <u>90071</u>
	Telephone: (213) 576-1128	E-n	nail: nicki.carlsen@alston.c	com

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

☑ Other: E&B Natural Resources et al.

b. Is the appeal being filed to support the original applicant's position?

☐ Self

✓ No

☐ Yes

4.	1. REPRESENTATIVE/AGENT INFORMATI	ON			
	Representative/Agent name (if applicable	e): Nicki Carlsen			<u> </u>
	Company: Alston & Bird LLP				_
	Mailing Address: 333 South Hope Street	et, 16th Floor			_
	City: Los Angeles	State: California	Zip	: 90071	_
	Telephone: (213) 576-1128	E-mail: nicki.ca	arlsen@alston.com		_
5.	5. JUSTIFICATION/REASON FOR APPEAL				
	a. Is the entire decision, or only parts o	f it being appealed?	☑ Entire	☐ Part	
	b. Are specific conditions of approval b	eing appealed?	☐ Yes	☑ No	
	If Yes, list the condition number(s) here:				_
	Attach a separate sheet providing your r	easons for the appeal. You	r reason must state:		
	The reason for the appeal	☐ How you are aggrieved I	by the decision		
	☐ Specifically the points at issue	☐ Why you believe the dec	cision-maker erred o	abused their disc	retion
6.	Appellant Signature:	this application are complet		uary 31, 2023	_
	GENE	RAL APPEAL FILING REQ	UIREMENTS		
B.	3. ALL CASES REQUIRE THE FOLLOWING ITE	EMS - SEE THE ADDITION	IAL INSTRUCTIONS F	OR SPECIFIC CAS	E TYPES
1. Appeal Documents					
	 a. Three (3) sets - The following documents of the company of the co				s)
	□ Appeal Application (form CP-776□ Justification/Reason for Appeal□ Copies of Original Determination	,			
	 b. Electronic Copy Provide an electronic copy of your during filing and return the flash be saved as individual PDFs Statement.pdf", or "Original Determination." 	drive to you) or a CD (which and labeled accordingly	will remain in the file (e.g. "Appeal Form	e). The following it poff, "Justification	ems must
	 c. Appeal Fee Original Applicant - A fee equal to receipt(s) to calculate the fee per Aggrieved Party - The fee charge 	er LAMC Section 19.01B 1.	·	. ,	pplication
	 d. Notice Requirement ☐ Mailing List - All appeals require r noticing per the LAMC ☐ Mailing Fee - The appeal notice 		,, -		·
	Planning's mailing contractor (B				o une only

SPECIFIC CASE TYPES - APPEAL FILING INFORMATION

C. DENSITY BONUS / TRANSIT ORIENTED COMMUNITES (TOC)

1. Density Bonus/TOC

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

NOTE:

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

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

D. WAIVER OF DEDICATION AND OR IMPROVEMENT

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

NOTE:

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

E. TENTATIVE TRACT/VESTING

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

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

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

F. BUILDING AND SAFETY DETERMINATION

□ 1. Appeal of the <u>Department of Building and Safety</u> determination, per LAMC 12.26 K 1, an appellant is considered the Original Applicant and must provide noticing and pay mailing fees.

a. Appeal Fee

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

b. Notice Requirement

- □ Mailing Fee The applicant must pay mailing fees to City Planning's mailing contractor (BTC) and submit a copy of receipt as proof of payment.
- □ 2. Appeal of the <u>Director of City Planning</u> determination per LAMC Section 12.26 K 6, an applicant or any other aggrieved person may file an appeal, and is appealable to the Area Planning Commission or Citywide Planning Commission as noted in the determination.

a. Appeal Fee

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

b. Notice Requirement

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

G. NUISANCE ABATEMENT

1. Nuisance Abatement - Appear	procedure for Nuisance Abatement per LAIMC	5 Section 12.27.1 C 4
NOTE: - Nuisance Abatement is only appe	ealable to the City Council.	
a. Appeal Fee ☐ Aggrieved Party the fee c	harged shall be in accordance with the LAMC	Section 19.01 B 1.
2. Plan Approval/Compliance Re Appeal procedure for Nuisance A	e view batement Plan Approval/Compliance Review	per LAMC Section 12.27.1 C 4.
·	ne fee charged shall be in accordance with the nall be in accordance with the LAMC Section	
NOTES		
	CNC) or a person identified as a member of a the Neighborhood Council; persons affiliate	
Los Angeles Municipal Code (LAMC will make its best efforts to have ap due process to the appellant. If the a the appeal prior to the last day to act	y must act on your appeal within a time perio C) pertaining to the type of appeal being filed peals scheduled prior to the appellate body's ppellate body is unable to come to a consensu t, the appeal is automatically deemed denied, LAMC may only be extended if formally agree	The Department of City Planning last day to act in order to provide us or is unable to hear and consider and the original decision will stand.
Page Fee:	This Section for City Planning Staff Use Only	Data
Base Fee:	Reviewed & Accepted by (DSC Planner):	Date:
Receipt No:	Deemed Complete by (Project Planner):	Date:
☐ Determination authority notified	☐ Original receipt and BTC rec	l eipt (if original applicant)

ALSTON & BIRD

333 South Hope Street, 16th Floor Los Angeles, CA 90071-1410 213-576-1000 | Fax: 213-576-1100

Nicki Carlsen Direct Dial: +1 213 576 1128 Email: nicki.carlsen@alston.com

January 31, 2023

City of Los Angeles Department of City Planning 200 North Spring Street, Room 701 Los Angeles, CA 90012 planning.oildrilling@lacity.org

Re: Notice of Appeal of Zoning Administrator's Interpretation of Well Maintenance & Zoning Administrator's Memorandum 141

Dear City of Los Angeles Department of City Planning:

We represent E & B Natural Resources Management Corporation, Hillcrest Beverly Oil Corporation, E&B ENR I, LLC, and Elysium Natural Resources, LLC (collectively, "E&B") regarding E&B's Appeal of the City of Los Angeles Department of City Planning's ("City Planning") "Zoning Administrator's Interpretation" ("ZAI") and "Zoning Administrator's Memorandum (ZA Memo) 141" ("ZA Memo 141"), both circulated on January 17, 2023. On December 2, 2022, the Los Angeles City Council ("City Council") adopted Ordinance No. 187,709 ("Oil Ordinance") adding restrictions, among other things, to existing and future oil and gas operations, including drilling, production, and maintenance of oil wells, effective January 18, 2023. The Oil Ordinance was signed by Mayor Garcetti on December 8, 2022, and it became effective on January 18, 2023. In connection with the implementation of Oil Ordinance, City Planning prepared the ZAI and ZA Memo 141, both of which are proposed documents supposedly intended to "serve as guidance for operators and the public regarding oil drilling regulations in the City." (City Planning's 1/17/23 Email to Stakeholders.)

E&B currently conducts oil and gas operations at several locations within the City of Los Angeles. For example, E&B operates a facility located in the vicinity of San Vicente Boulevard and West Third Street ("San Vicente facility"), Pico Boulevard and Genesee Avenue ("Packard facility") in the City. The San Vicente and Packard facilities collectively extract from 1,297 acres of mineral interests. Additionally, the Murphy facility is located in the vicinity of West Adams Boulevard and Western Avenue, and it extracts from 960 acres of mineral interests. E&B conducts oil production operations within the City in the South Torrance oilfield in the vicinity of East Pacific Coast Highway and Wilmington Boulevard and extracting from 330 acres of mineral interests. E&B also conducts oil production operations within the City in the Wilmington oilfield in the vicinity of W. Sepulveda Boulevard and S. Main Street and extracting from 146 acres of mineral interests. As part of these operations, E&B owns the mineral rights directly in fee or leases the mineral rights from royalty owners.

Alston & Bird LLP www.alston.com

City of Los Angeles Department of City Planning January 31, 2023 Page 2

As it stands, E&B's vested rights and ability to continue operations are jeopardized by the Oil Ordinance, and now further, by the proposed applications of the ZAI and ZA Memo 141 as presently drafted. We submit these comments ahead of the February 1, 2023 deadline to appeal the ZAI and ZA Memo 141 and to reinforce E&B's objections to the Oil Ordinance. Not only are the Oil Ordinance, ZAI, and ZA Memo 141 legally invalid, the City has not conducted a proper environmental analysis that satisfies its obligations under the California Environmental Quality Act ("CEQA").

E&B appeals the ZAI and ZA Memo 141, requesting that the City take the necessary, additional steps to study the environmental impact of these projects, complete the CEQA process, and reconsider the ZAI and ZA Memo 141 as they are currently drafted.

I. The ZAI, in its Current Form, Must Be Rejected

The Oil Ordinance prohibits oil "well maintenance, drilling, redrilling, and deepening except to prevent or respond to a threat to public health, safety, or the environment, as determined by the Zoning Administrator." (LAMC Section 12.23-C.4(a).) Now by way of the ZAI, the Zoning Administrator prescribes its "interpret[ion of] what drill site activities qualify as oil 'well maintenance.'" (ZAI p. 1.) It defines oil well maintenance "as any scope of work that meets either of the following two criteria:

- 1. A scope of work that requires a Notice of Intention "Rework Permit" to carry out work project on a well from the California Geologic Energy Management Division (CalGEM).[]
- A scope of work that requires online notification per the South Coast Air Quality Management District's (SCAQMD) Rule 1148.2 – "Notification and Reporting Requirements for Oil and Gas Well and Chemical Suppliers." (ZAI, p. 1.)

The ZAI is inappropriately vague and ambiguous. The ZAI provides a definition of oil well maintenance (which is integral to application of the Oil Ordinance) that is dependent on the scope of SCAQMD Rule 1148.2. (See ZAI, p. 1.) But the ZAI fails to explain how it interacts with the various provisions of Rule 1148.2 or the effect of the Rule's proposed amendments. As such, the ZAI is improperly vague and ambiguous as drafted, leaving operators, suppliers, and other individuals involved in oil and gas extraction operations without proper guidance and understanding for how the Oil Ordinance will ultimately be enforced. (*Zubaru v. City of Palmdale* (2011) 192 Cal. App. 4th 289, 308 ["An ordinance must be clear, precise, definite and certain in terms, and an ordinance vague to the extent that its precise meaning cannot be ascertained is invalid . . ."]; accord City of Imperial Beach v. Escott (1981) 115 Cal. App. 134, 139.)

Importantly, SCAQMD's proposed amendments to Rule 1148.2 greatly expands the scope of online notification and reporting requirements for oil and gas wells and chemical suppliers. And taken together with the ZAI, the Oil Ordinance and ZAI's proposed application is not clear. For instance, the Proposed amendments to Rule 1148.2 will expand the online notification requirement to now include any chemical treatment above 20 gallons per day, excluding water. Further, the Proposed amendments to Rule 1148.2 expand the online notification requirement to

City of Los Angeles Department of City Planning January 31, 2023 Page 3

encompass workover rigs if their engines do not meet Tier 4 emissions standards. But it is unclear how this is intended to apply.

Moreover, the proposed amendments to Rule 1148.2 include a notification requirement for acidizing, proposed to become effective July 1, 2023. It is vague and ambiguous when the ZAI intends for this component to go into effect; however, at a minimum, it should not be applicable under the ZAI until at least July 1, 2023 when the proposed amendment to Rule 1148.2 becomes effective. As such, the ZAI is inappropriately vague and ambiguous as currently drafted.

II. ZA Memo 141 Cannot Be Adopted as Drafted

ZA Memo 141 is set out to "establish a comprehensive set of procedures and policies for the acceptance and processing of applications for projects, at existing non-conforming sites, where drilling, redrilling, public health, safety, or the environment...." (ZA Memo 141, p. 1.) ZA Memo 141 also "identifies the steps that operators are required to complete prior to commencing proposed scopes of work and outlines the discretionary review procedures and policies for operators." (*Id.*, at p. 2.)

ZA Memo 141 provides that the Zoning Administrator has discretionary review "[f]or projects that propose to maintain, drill, re-drill, or deepen an existing well for oil, gas or other hydrocarbon substances in order to prevent or respond to a threat to public health, safety, or the environment." (*Id.*, at p. 4.) Additionally, it details that projects that demonstrate "an urgent need to commence [] due to an imminent emergency threat to public health, safety, or the environment[,]" will be subject to the administrative review process "by a Zoning Administrator or assigned/delegated City Planning staff." (ZA Memo 141, p. 4.)

Under the discretionary review process set forth in ZA Memo 141, "an operator shall submit all the required application materials for a Health and Safety Exception request," which will be subject to discretionary review by the Zoning Administrator pursuant to LAMC section 12.23-C.4. (*Id.*, at 5.) Applicants must submit form CP-4077 (a DCP Application for Health and Safety Exception Projects for Oil and Gas Drill Sites). (*Id.*, at 6.) Further, the application must include all required information outlined in Form CP-4078. (*Id.*) The Zoning Administrator is required to set a public hearing in which evidence and testimony may be received. Notice of the hearing is given 24 days in advance of the public hearing, but ZA Memo 141 does not include a requirement for the hearing to be set within a certain amount of time. (*See id.*, at p. 7.) Once a decision is made, the Zoning Administrator will issue a written determination, providing a 15-day appeal period. (*Id.*, at p. 8.)

ZA Memo 141 includes vague, ill-defined requirements in which the Zoning Administrator can grant an exception under LAMC section 12.23-C.4(a) and allow oil well maintenance. Notably, ZA Memo 141 does not provide or prescribe any timeframe for the application process and determination, which may practically cause oil wells to be deemed abandoned before the Zoning Administrator can grant a Health and Safety Exception. Further, its application process is unclear given its vague and ambiguous framework.

III. The ZAI and ZA Memo 141 Fails to Comply with CEQA and Constitutes Improper Piecemealing

CEQA applies whenever a government agency approves a discretionary project, defined as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." (Pub. Res. Code § 21065.) CEQA defines "project" as the "whole of an action" and prohibits segmentation of project activities in an effort to minimize the evaluation of environmental effects. "Accordingly, CEQA forbids piecemeal review of the significant environmental impacts of a project." (Banning Ranch Conservancy v. City of Newport Beach (2012) 211 Cal. App. 4th 1209, 1222 (internal citations omitted).) "Agencies cannot allow environmental considerations to become submerged by chopping a large project into many little ones." (Id.)

The City concluded that the ZAI and ZA Memo 141 are not projects under CEQA. And despite explicitly refusing to consider the impact of the ZAI and ZA Memo 141 in the MND, the City also stated that the ZAI and ZA Memo 141 were evaluated in the Initial Study prepared by the City to support the Mitigated Negative Declaration prepared for the Oil Ordinance.

In fact, neither the Oil Ordinance nor the MND adopted in conjunction provided any definition for the "maintenance" prohibited by the Oil Ordinance. The Oil Ordinance and the MND also did not take into account the complicated discretionary process that the City intended to impose upon operators who seek to undertake maintenance activities for their existing operations. There was no contemplation of the content included in the ZAI or ZA Memo 141, even though both documents were issued only weeks after the final vote on the Oil Ordinance. The City is required to analyze the "whole of an action," which necessarily includes the manner in which the Oil Ordinance will be implemented. These foreseeable Ordinance amendments and regulatory guidance will change the scope and nature of the Oil Ordinance and its environmental effects. By failing to analyze these changes in the MND, the MND understates the actual impact from the Project, fails to analyze the Project as a whole, and the City cannot rely upon the MND as a basis to avoid the review of these impacts under CEQA.

Further, the ZAI and ZA Memo 141 will undoubtedly impact the availability of mineral resources in the City and the State since the stated goal of the City is to stop oil production within the City limits. "Mineral resources" are an environmental factor pursuant to CEQA, and the "loss of availability of a known mineral resource that would be a value to the region and the residents of the state" or the "loss of availability of a locally important mineral resource recovery site" constitutes an adverse environmental impact. CEQA Guidelines, Appendix G, § XII(a), (b); Public Resources Code § 21060.5. Further CEQA review is needed to analyze the potentially significant environmental effects (both direct and cumulative) to air quality, energy, aesthetics, traffic, odor, and noise as a result of the accelerated rate of abandonment activities as a result of these documents, and the increased importation of oil to replace the decreased local production. Thus, even standing alone, the adoption of these documents have the potential to cause significant environmental effects that require CEQA review.

IV. The Oil Ordinance, ZAI, and ZA Memo 141 are Further Unsupported by Law, Infringe Upon E&B's Vested Rights, and Interfere with Continuing Operations

a. The Obstacles and Delays Created by the ZAI and ZA Memo 141 Will Cause the Unintended Abandonment of Existing Wells

The City's Oil Ordinance prohibits well maintenance "except to prevent or respond to a threat to public health, safety, or the environment, as determined by the Zoning Administrator." (LAMC Section 12.23-C.4(a).) The ZAI's interpretation of well maintenance allows maintenance under certain circumstances, which remain vague and ambiguous as currently drafted, but if any oil and gas operator sought to seek an approval from the Zoning Administrator or the City to conduct needed maintenance based on health and safety purposes, the approval process could extend beyond a year, resulting in "deemed terminated" finding for "discontinued" operations. Additionally, ZA Memo 141 now burdens formerly by-right or permitted operations to justify and demonstrate the need for maintenance to keep existing operations under the Oil Ordinance's health and safety exception. Thus, as a result of the ZAI's restrictive interpretations of well maintenance, along with the new, lengthy procedures for existing operations to continue maintenance as prescribed by ZA Memo 141, the City and City Planning are essentially terminating these uses well before any 20-year amortization period.

b. The Oil Ordinance, ZAI, and ZA Memo 141 Violate Due Process under the U.S. and California Constitutions

Under the United States Constitution and the California Constitution, the City may not deprive Plaintiffs of property rights without due process of law. (Cal. Const., Art. 1, § 7(a); U.S. Const. amend V, XIV; College Area Renters & Landlord Ass'n v. City of San Diego (1996) 43 Cal.App.4th 677, 686.) Arbitrary or irrational governmental action that infringes on a property owner's rights violates substantive constitutional due process. (Lingle v. Chevron U.S.A. Inc. (2005) 544 U.S. 528, 541; Arnel Development Co. v. City of Costa Mesa (1981) 126 Cal.App.3d 330, 337.) In the City's rush to adopt the Oil Ordinance, provide interpretation of the well maintenance, and implement unlawful procedures through the ZAI and ZA Memo 141, the City has also failed to demonstrate that oil and gas production in the City results in any environmental, health, or safety hazards. Without any viable justification for its actions, the City lacks any legitimate interest in terminating oil and gas operations throughout the City.

c. <u>The Oil Ordinance, ZAI, and ZA Memo 141 Would Constitute a Taking of Vested</u> Rights in Violation of the U.S. and California Constitutions

The U.S. and California Constitutions provide that private property shall not be taken without just compensation. (U.S. Const. amend. V; Cal. Const., Art. 1, § 19.) These constitutional protections apply to regulatory takings. (*Lucas v. S.C. Coastal Council* (1992) 505 U.S. 1003, 1014.) "The right to remove oil and gas from the ground is a property right." (*Maples v. Kern Cty. Assessment Appeals Bd.* (2002) 103 Cal.App.4th 172, 186.)

E&B has vested property rights by its fee and leasehold ownership in mineral rights and its right to conduct its operations in the City, but the Oil Ordinance, ZAI, and ZA Memo 141 ignore these

rights, imposing oil well maintenance requirements and procedures that significantly curtail maintenance efforts, which will lead to the abandonment of wells long before the 20-year period ends. For instance, ZA Memo 141 improperly burdens operators to show maintenance is needed to prevent a threat to public health or safety, even if needed to maintain existing operations. The process prescribed by ZA Memo 141 fails to provide a timeframe, putting oil wells at risk of abandonment before the determination process can even conclude. But when dealing with vested property rights, the City cannot terminate E&B's existing operations without either the payment of just compensation or a demonstration that the existing, permitted operations and the associated maintenance are presently constituting a nuisance (which it has not). As such, the ZAI and ZA Memo 141, if implemented, serve to impose an unconstitutional taking of E&B's property as an owner of mineral rights and as an oil and gas operator, along with the property of the landowners and the mineral rights holders in connection to E&B's leasehold interests.

d. The Oil Ordinance, ZAI, and ZA Memo 141 Are Preempted by State Law

The California Constitution states: "A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws." (Cal. Const., Art. XI, Sec. 7.) Local laws conflict with general law if the local laws duplicate, contradict, or enter an area fully occupied by general law. (*Morehart v. County of Santa Barbara* (1994) 7 Cal.4th 725.) The court in *Morehart states:*

The general principles governing state statutory preemption of local land use regulation are well settled. "The Legislature has specified certain minimum standards for local zoning regulations (Gov. Code, § 65850 et seq.)" even though it also "has carefully expressed its intent to retain the maximum degree of local control (see, e.g., id., § 65800, 65802)." (IT Corp. v. Solano County Bd. of Supervisors (1991) 1 Cal.4th 81, 89 [2 Cal.Rptr.2d 513, 820 P.2d 1023].) "A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws." (Cal. Const., art. XI, § 7, italics added.) "'Local legislation in conflict with general law is void. Conflicts exist if the ordinance duplicates [citations], contradicts [citation], or enters an area fully occupied by general law, either expressly or by legislative implication [citations]." (People ex rel. Deukmejian v. County of Mendocino (1986) 36 Cal.3d 476, 484 [204 Cal.Rptr. 897, 683 P.2d 1150], quoting Lancaster v. Municipal Court (1972) 6 Cal.3d 805, 807-808 [100 Cal.Rptr. 609, 494 P.2d 681]; accord, Sherwin-Williams Co. v. City of Los Angeles (1993) 4 Cal.4th 893, 897 [16 Cal.Rptr.2d 215, 844 P.2d 534].)

(*Morehart,* 7 Cal.4th at 747; see also California Attorney General's opinion recognizing preemptive effect of State oil and gas laws, 59 Ops. Cal. Atty. Gen. 461,462 (1976).)

The City's Oil Ordinance, the ZAI, and ZA Memo 141 conflict with California law regarding the production of oil and gas, including drilling, operations, abandonment, and maintenance. The authority to regulate all aspects of oil and gas production, including downhole activities, rests with CalGEM. (Cal. Pub. Res. Code §3106(b).) The State's oil and gas laws read: "To best meet oil and

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gas needs in this state, the supervisor shall administer this division so as to encourage the wise development of oil and gas resources." (Cal. Pub. Res. Code § 3106(d).)

The State laws and associated regulations reflect an intent to occupy the entire area: Cal. Pub. Res. Code §§ 3000-3112 (General Provisions and Administration); Cal. Pub. Res. Code §§ 3130-3132 (Underground Injection Control), Pub. Res. Code §§ 3150-3161 (Well Stimulation); Cal. Publ. Res. Code §§ 3180-3187 (Natural Gas Storage Wells), Cal. Pub. Res. Code §§ 3200-3238 (Regulation of Operations); Cal. Pub. Res. Code §§ 3240-3241 (Abandoned Wells); Cal. Pub. Res. Code §§ 3250-3258 (Hazardous Wells); Cal. Pub. Res. Code §§ 3260-3263 (Acute Orphan Wells); Cal. Pub. Res. Code §§ 3270-3270.6 (Regulation of Production Facilities); Cal. Pub. Res. Code §§ 3300-3314 (Unreasonable Waste of Gas); Cal. Pub. Res. Code §§ 3315-3347 (Subsidence); Cal. Publ. Res. Code §§ 3350-3359 (Appeals and Review); Cal. Pub. Res. Code §§ 3400-3433 (Assessment and Collection of Charges); Cal. Pub. Res. Code §§ 3450-3451 (Recommendation of Maximum Efficient Rates of Production); Cal. Pub. Res. Code §§ 3780-3787 (Oil Sumps). The regulations include more detailed requirements for onshore wells (14 Cal. Code Reg. §§ 1712-1724.10), environmental protections for production facilities, tanks, pipelines (14 Cal. Code Reg. §§ 1750-1779.1), and expressly address well stimulation and seismic activity (14 Cal. Code Reg. §§ 1780-1789).

The Oil Ordinance, ZAI, and ZA Memo 141 effectively phase out oil and gas production in the City, which is further accomplished by the curtailment of oil well maintenance through the new requirements and procedures under the ZAI and ZA Memo 141 - which is an activity that a "statute or statutory scheme seeks to promote," they impermissibly "frustrate[] the statute's purpose" and are therefore preempted. (Great W. Shows, Inc. v. Cnty. of L.A. (2002) 27 Cal.4th 853, 867–870.) Indeed, California law vests complete authority in CalGEM to "supervise the drilling, operation, maintenance, and abandonment of wells so as to permit owners or operators of wells to utilize all methods and practices known to the oil industry for the purpose of increasing the ultimate recovery of underground hydrocarbons and which, in the opinion of the supervisor, are suitable for this purpose in each proposed case." (Pub. Res. Code §3106, subd. (b).) Rather than "increas[e] the ultimate recovery of underground hydrocarbons," the requirements will have the opposite effect, and therefore frustrate the purpose of Public Resources Code section 3106. And by making continued oil operations prohibitively expensive in Los Angeles City with increased parameters to apply for and conduct oil well maintenance, the City will only make it difficult or impossible for operators to continue the aggressive well abandonment schedule that has been effectively encouraged by CalGEM's regulations.

The Oil Ordinance, ZAI, and ZA Memo 141's proposed requirements are preempted because they duplicate and enter an area that is fully occupied by state law, and they frustrate a statutory purpose of increasing the ultimate recovery of hydrocarbons. Local legislation conflicts with state law where it "duplicates, contradicts, or enters an area fully occupied by general law, either expressly or by legislative implication." (*Sherwin-Williams Co. v. City of L.A.* (1993) 4 Cal.4th 893, 898.) Local legislation conflicts with state law where it "duplicates, contradicts, or enters an area fully occupied by general law, either expressly or by legislative implication." (*Id.* at 897.) Local legislation is "duplicative" when it is coextensive of state law. (*Id.*) In addition, legislation enters

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an area that is "fully occupied" by state law when the legislature expressly or impliedly manifested an intent to occupy the area. (*Id*.)

Here, state law already regulates areas of law that the Oil Ordinance, ZAI, and ZA Memo 141 attempt to regulate. Public Resources Code section 3206.1 already mandates CalGEM to review, evaluate, and update its regulations pertaining to idle wells. These regulations implement new testing requirements for idle wells and provide specific parameters for testing. (Cal. Code Regs., tit. 14 §§ 1772.1, 1772.1.4.) The regulations provide a six-year (6) compliance period for testing wells idle as of April 1, 2019 and a Testing Waiver Plan for those wells that an operator commits to plugging and abandoning within eight years. (Id., § 1772.2.) Operators are also required to submit an idle well inventory and evaluation for each of their idle wells. (Id., § 1772.) The regulations also provide requirements for monitoring and mitigating inaccessible idle wells, a regulatory definition for partially plugging idle wells, and requirements for operators to submit a 15-Year Engineering Analysis for each idle well idle for 15 years or more. (Id., §§ 1722.1.2, 1772.4.) These comprehensive requirements evidence a clear intent by the state to uniformly regulate the restoration of oil and gas sites, including the plugging and abandonment concerns addressed by the Oil Ordinance, ZAI, and ZA Memo 141. The City's ongoing attempt to regulate these activities, now with new proposed procedures and requirements for oil well maintenance during the amortization period, enters an area fully occupied by state law and is therefore preempted. (Sherwin-Williams, supra, 4 Cal.4th at 989.)

In addition, and as the ZAI points out, SCAQMD has extensive rules regarding the air quality concerns that the City purportedly seeks to address by its new requirements. (*See, e.g.*, SCAQMD Rules 1148.1 and 1148.2.) "The Legislature has designated regional air pollution districts as the primary enforcers of air quality regulations." (*So. Cal. Gas Co. v. So. Coast Air Quality Mgmt. Dist.* (2012) 200 Cal.App.4th 251, 269.) And in fact, these rules are actively implemented and enforced by the SCAQMD. By restricting maintenance activities by specifically incorporating the type of activities regulated by CalGEM and the SCAQMD, the ZAI seeks to prohibit activities that are comprehensively regulated by the State. Similarly, by imposing a convoluted approval process that will result in the effective abandonment of existing oil and gas operations, ZA Memo 141 serves to frustrate state law. "If the preemption doctrine means anything, it means that a local entity may not pass an ordinance, the effect of which is to completely frustrate a broad, evolutional statutory regime enacted by the Legislature." (*Fiscal v. City and County of San Francisco* (2008) 158 Cal.App.4th 895, 914–915.)

The City lacks the statutory authority or justification to impose unnecessary requirements that are intended to address issues that the Legislature has already delegated to other agencies.

e. The ZAI and ZA Memo 141 are Inconsistent with the General Plan

The City, in its adoption and enactment of the Oil Ordinance, and now through its proposal of the the ZAI and ZA Memo 141, failed to demonstrate how the Oil Ordinance, ZAI, or ZA Memo 141 are compatible and consistent with the General Plan. (See Gov. Code § 65860.) The City's determination that the Oil Ordinance, ZAI, and ZA Memo 141 are consistent with the General Plan is wholly lacking in evidentiary support. It is not sufficient merely to state in a conclusory fashion

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that they are consistent with the General Plan if unsupported by the evidence. Moreover, the City has acted arbitrarily and capriciously throughout the entire process to adopt these provisions and abused its discretion in doing so.

The General Plan's Land Use Element states:

The General Plan encourages the protection of major facilities, such as landfills, solid waste disposal sites, energy facilities, natural gas storage facilities, oil and gas production and processing facilities, military installations, and airports from the encroachment of incompatible uses.

(General Plan Land Use Element, Pg. 74.) The General Plan also includes Mineral Resources Zones (Figure 9.6) that depicts oil and gas resources. Land Use Policy 7.5 states:

Ensure land use compatibility in areas adjacent to mineral resources where mineral extraction and production, as well as activities related to the drilling for and production of oil and gas, may occur.

None of these General Plan provisions, though directly related to oil and gas uses, are sufficiently addressed by the City in its analysis of the ZAI or ZA Memo 141.

The Oil Ordinance, ZAI, and ZA Memo 141 must be consistent with the General Plan, such that "[t]he various land uses authorized by the ordinance are compatible with the objectives, policies, general land uses, and programs specified in such a plan." (Gov. Code, § 65860 (a)(ii).) The "constitution for all future developments" is the general plan. (Goleta Valley v. Board of Supervisors (1990) 52 Cal.3d 553, 570.) The failure of the City to sufficiently evaluate the Oil Ordinance, ZAI, and ZA Memo 141's consistency with the General Plan is a fatal flaw, separate and apart from all other infirmities.

In addition, the absence of any meaningful General Plan analysis further demonstrates that the City failed to prepare a proper CEQA analysis. In addition to the CEQA issues raised above regarding the loss of mineral resources, land use and planning is one of the mandated topics in CEQA's Appendix G, the Environmental Checklist Form, and the checklist asks: "Would the project [c]ause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purposes of avoiding or mitigating an environmental effect?" The failure to answer this question must be added to the lengthy list of CEQA violations.

f. The Oil Ordinance, ZAI and ZA Memo 141 are Inapplicable Because Amortization Does Not Apply to the Extraction of Mineral Resources

City Planning fails to evaluate the legal propriety of establishing an amortization period and further restricting well maintenance provisions for the extraction of mineral resources and ignores the legal doctrine that would invalidate this proposed ordinance – the diminishing asset doctrine. (See Hansen Bros. Enters. v. Board of Supervisors (1996) 12 Cal.4th 533.) The California Supreme Court in Hansen recognized the "diminishing asset" doctrine and defined the scope of vested

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rights for mining, quarrying and other extractive uses, recognizing the unique qualities of extractive uses and holding that it includes an expansion of those uses.

As explained in the context of a quarry, the court in *Hansen* stated:

The very nature and use of an extractive business contemplates the continuance of such use of the entire parcel of land as a whole, without limitation or restriction to the immediate area excavated at the time the ordinance was passed. A mineral extractive operation is susceptible of use and has value only in the place where the resources are found, and once the minerals are extracted it cannot again be used for that purpose. "Quarry property is generally a one-use property. The rock must be quarried at the site where it exists, or not at all. An absolute prohibition, therefore, practically amounts to a taking of the property since it denies the owner the right to engage in the only business for which the land is fitted."

(Hansen, 12 Cal.4th at 553-54 (and cases cited therein).)

Similarly, E&B's vested oil and gas rights are uniquely situated in the City, and the Oil Ordinance, ZAI, and ZA Memo 141 limit E&B's ability to properly maintain its oil wells and effectively eliminate the extraction of those resources in the City, without the ability to extract them elsewhere. (See Los Angeles v. Gage (1954) 127 Cal.App.2d 442.) The Oil Ordinance, ZAI, and ZA Memo 141 in their current construction will effectively work to deprive E&B of the right to engage in the only business for which its subsurface mineral rights are fitted. Under the diminishing asset doctrine, E&B is entitled to produce oil and gas resources under its vested rights until the resource is exhausted or otherwise uneconomical to produce -- the continued production of oil and gas resources is the expanded use and is protected under Hansen.

g. The Oil Ordinance and the Maintenance Requirements and Procedures Determined by the ZAI and ZA Memo 141 Is Not a Legitimate Exercise of the Police Power

The Oil Ordinance, ZAI, and ZA Memo 141 are each, and taken together, arbitrary, capricious, entirely lacking in evidentiary support, and contrary to established public policy supporting the extraction of oil and gas in the City. While the City is afforded latitude in adopting land use regulations, the City's police power is not unlimited. Land use regulations, such as the ZAI or ZA Memo 141, must be "reasonable in object and not arbitrary in operation [in order to] constitute a valid exercise of that power" and reasonably related to the public welfare, which the City fails to demonstrate. (*La Mesa v. Tweed & Gambrell Planning Mill* (1956) 146 Cal. App. 2d 762, 768; *Associated Home Builders, Inc. v. City of Livermore* (1976) 18 Cal.3d 582.)

For instance, the City published an Oil and Gas Health Report dated July 25, 2019, which confirms that 1.6 billion barrels of recoverable oil and gas reserves remain beneath the City, alone "rivaling the reserves of the Middle Eastern countries, like Saudi Arabia, Iraq, and Kuwait 14,000 miles away." The Oil Ordinance, ZAI, and ZA Memo 141 significantly curtail efforts to continue oil and

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gas operations, significantly adding new requirements and procedures to get approval for oil well maintenance. In effect, this will reduce the ability to continue with oil and gas operations. But importantly, these new requirements and procedures placed on oil and gas operations will not eliminate the City's ongoing demand for oil and gas products. To meet demand, every barrel of oil per day that is not produced within the City must necessarily be produced elsewhere, requiring further expenses and potential negative environmental impacts by instead requiring the importation of oil. Additionally, reliance on foreign oil from Middle Eastern countries, and in the midst of the ongoing crisis in Ukraine, may create national security concerns. And indeed, over the past several years, California sources of petroleum have been replaced by Alaskan and foreign sources.

Moreover, implementation of the ZAI and ZA Memo 141 will work to reduce oil well maintenance, ultimately resulting in the loss of good-paying industry jobs, such as those for which E&B supplies to the City's residents through its oil and gas operations. But fatally, the City fails to properly forecast the probable effect of the Oil Ordinance, ZAI, and ZA Memo 141, fails to identify the competing interests involved, and fails to justify why the ordinance reflects a reasonable accommodation of competing interests.

h. <u>The Oil Ordinance, ZAI, and ZA Memo 141 Interfere With E&B's Contractual</u> Relations Within the City

Both the U.S. and California Constitutions prohibit the enactment of laws effecting a "substantial impairment" of contracts, which applies to public contracts as well as contracts between private parties. (Alameda County Sheriff's Assn. v. Alameda County Employees' Retirement Assn. (2020) 9 Cal.5th 1032, 1074.) E&B has contracts with various private parties, which impose obligations on E&B that likely will continue beyond the date the Oil Ordinance's amortization period expires. The Oil Ordinance will impair these contracts by forcing E&B to terminate its operations on or well before the amortization deadline, which will undermine E&B's reasonable expectations under the contracts. Moreover, the ZAI and ZA Memo 141 seek to impose unreasonable and vague maintenance requirements and procedures that will effectively restrain or eliminate the ability to maintain oil wells and extract essential mineral resources, and thus impair these contracts, far before the amortization period ends.

i. The City's Liability for Damages Under the Civil Rights Act

The federal Civil Rights Act, 42 U.S.C. § 1983 ("Section 1983"), provides a cause of action for damages based on claims arising from violations of federal rights. (Sveen v. Melin (2018) 138 U.S. 1815, 1822.) As discussed at length herein, the proposed Ordinance will significantly impair E&B's constitutional rights, including its right to just compensation and due process rights. Accordingly, if the City implements the Zoning Administrator's interpretation of well maintenance, as prescribed by the ZAI, or the new requirements and procedures listed by ZA Memo 141, the City and City Planning will place themselves at significant risk of liability under Section 1983, including for payment of damages suffered as a result of unreasonably phasing out oil well maintenance, and consequently, oil and gas production in the City.

j. The Requirements Imposed by the Oil Ordinance, ZAI, and ZA Memo 141 Constitute a Breach of Contracts Between Oil and Gas Operators in the City

E&B has several leases with the City for its oil and gas operations, and the Oil Ordinance, definition of oil well maintenance under ZAI, and the new requirements and procedures to apply for oil well maintenance under ZA Memo 141 serve to effect a breach of those leases.

For all of these reasons, we urge the City to reconsider the adoption of the ZAI or ZA Memo 141 unless and until it cures the numerous legal defects discussed herein.

Sincerely,

Nicki Carlsen

NC:dtc

EXHIBIT B

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI

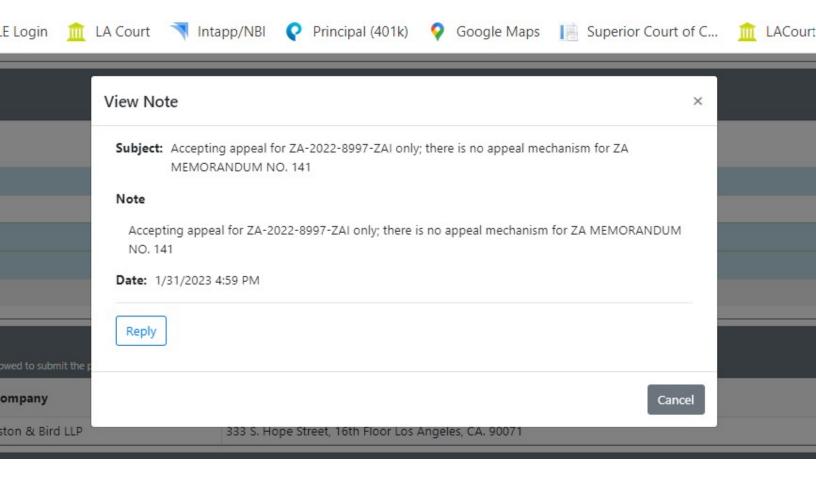


EXHIBIT C

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI

CITY OF LOS ANGELE

CALIFORNIA

ASSOCIATE ZONING ADMINISTRATORS
EMILY J. GABEL-LUDDY
DANIEL GREEN
LOURDES GREEN
ALBERT LANDINI
LEONARD S. LEVINE

ROBERT JANOVICI

CHIEF ZONING ADMINISTRATOR

JON PERICA SARAH A. RODGERS HORACE E. TRAMEL, JR. RICHARD J. RIORDAN MAYOR DEPARTMENT OF CITY PLANNING

CON HOWE DIRECTOR

FRANKLIN P. EBERHARD
DEPUTY DIRECTOR

OFFICE OF ZONING ADMINISTRATION

221 NORTH FIGUEROA STREET ROOM 1500 LOS ANGELES, CA 90012-2601 (213) 580-5495 FAX: (213) 580-5569

August 7, 1997

Clifford E. Clement (A)(R) Stocker Resources 5640 South Fairfax Avenue Los Angeles, CA 90056

Department of Building and Safety

CASE NO. ZA 18129(PAD) APPROVAL OF PLANS 5707 West Pico Boulevard Wilshire Planning Area Zone: C2-1 and R2-1

D. M. : 129B177

C. D. : 10

CEQA: CE 97-0554-PAD Fish and Game: Exempt Legal Description: Lots 1-8,

Tract 26319

Pursuant to Section 13.01-H of the Los Angeles Municipal Code, I hereby APPROVE:

Methods and conditions controlling drilling and production operations for the redrilling of six (6) Class "A" oil wells identified as P4A, P5, P8A, P19, P28B and P56, Urbanized Oil Drilling District Nos. U-127 and U-143, the Packard drill site,

upon the following additional terms and conditions:

- 1. The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as Exhibit Nos. "A-1" "A-6".
- 2. All terms and conditions specified under ZA Case No. 18129 shall be strictly complied with, except for those contained in Condition Nos. 1 and 11 which relate to hours of operation for the work on the site, and which is hereby waived for the time period necessary to redrill the subject Class A oil wells.
- 3. Drilling operations as described in Condition No. 2 above may be conducted seven days per week on a 24-hour basis, including any nationally recognized holiday. Drilling operations shall be completed within 180 days (at approximately 30 days per well) of the effective date of this determination. Drilling days need not be consecutive.



4. All operations shall be conducted within the 135-foot high acoustically treated drilling structure.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent that you advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.24-J,3 of the Los Angeles Municipal Code provides:

"It shall be unlawful to violate or fail to comply with any requirement or condition imposed by final action of the Zoning Administrator, Board or Council pursuant to this subsection. Such violation or failure to comply shall constitute a violation of this Chapter and shall be subject to the same penalties as any other violation of this Chapter."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these conditions the same as for any violation of the requirements contained in the Municipal Code. THE ZONING ADMINISTRATOR'S DETERMINATION IN THIS MATTER WILL BECOME EFFECTIVE AFTER AUGUST 22, 1997, UNLESS AN APPEAL THEREFROM IS FILED WITH THE BOARD OF ZONING APPEALS. 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 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. SUCH OFFICES ARE LOCATED AT:

Los Angeles City Hall 200 North Spring Street Room 460, Counter S 6251 Van Nuys Boulevard First Floor Van Nuys, CA 91401 Los Angeles, CA 90012 (213) 485-7826

(818) 756-8596

NOTICE

THE APPLICANT IS FURTHER ADVISED THAT ALL SUBSEQUENT CONTACT WITH THIS OFFICE REGARDING THIS DETERMINATION MUST BE WITH THE ZONING ADMINISTRATOR WHO ACTED ON THE CASE. 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 for a Plan Approval, all of which are by reference made part hereof, as well as knowledge of the property and the surrounding district, I find as follows:

1. The subject site, the Packard Drill Site, is located on a level, rectangular-shaped parcel of land on the north side of Pico Boulevard between Spaulding Avenue on the east and Genessee Avenue on the west. The property fronts the north side of Pico Boulevard for a distance of approximately 300 feet, siding on the west side of Spaulding Avenue and the east side of Genessee Avenue for respective distances of approximately 250 and 233 feet. The property is classified in the C2-1 and R2-1 Zones and developed with a controlled drill site identified as the "SOCO Packard Drill Site" which is enclosed with an architecturally designed, acoustically treated, office-type drilling structure. The bottom hole locations of Well Nos. P4A, P5 and P19 are within Urbanized Oil Drilling District No. U-143 as established under Ordinance No. 133, 157 and the bottom hole locations of Well Nos. P8A, P28B and P56 are within Urbanized Oil Drilling District No. U-127 as established under Ordinance No. 130,411.

A review of information attached to the file indicates that oil drilling and production activities have been undertaken on the subject drill site since 1967 in accordance with the terms and conditions contained in ZA Case No. 18129, dated June 9, 1966; and Yard Case No. 14549, dated June 9, 1966, with the last case recorded being Case No. ZA 21616, dated February 5, 1975, which permitted an expansion of the facility and the optional use of diesel or gas powered equipment in the drilling, redrilling, or workover of the oil wells. Further, various plan approvals have been approved for redrilling and other activities to the present time. The latest Plan Approval ZA 18129(PAD), dated January 9, 1997, became effective on January 24, 1997, and permitted the redrilling of five Class "A" oil wells (P23A, P39A, P48A, P57A and P70) within the extant drill site.

The previously-approved redrilling is nearing completion, according to the applicant.

- 2. Currently, Stocker Resources intends to commence redrilling at the referenced controlled drill site for six Class A idle wells: P4A, P5, P8A, P19, P28B and P56. These six existing wells are idle and the applicant wishes to return them to production. The instant request is to permit the applicant to restore idle oil wells to producing oil wells. It is for this purpose that the subject request has been filed seeking terms and conditions controlling drilling and production operations.
- 3. The redrilling of the involved wells is appropriate. There is no evidence that the "Packard Drill Site" has not been operated in conformance with all conditions imposed upon previous grants and it is a normal and necessary function of petroleum operations to redrill from established drill sites not only to find and extract additional reserves or correct subsidence problems, but to correct extraction problems which occur from time to time. The applicant is nearing completion of a redrilling of five Class "A" wells as was permitted under ZA 18129(PAD), effective January 24, 1997. There is no record of any problems with this prior operation.

All redrilling operations will be conducted on the controlled drillsite. To maintain reasonable noise levels, state-of-the-art drilling technology will be utilized. The applicant will employ use of a conventional electric-powered drilling rig to complete work and all operations will be conducted within the 135-foot high, acoustically treated drilling structure. The proposed redrilling will be undertaken one well at a time extending over a maximum time period of six months.

The redrilling of the involved wells is appropriate. The "Packard Drill Site" has been operated unb conformance with all conditions imposed under previous grants. No conflicts with normal production activities or adverse impacts on adjacent properties and improvements have been identified. Separate application will be made for appropriate electrical permits will be made the operator's drilling contractor.

Upon completion of the redrilling operation, production activities will be resumed under the terms and conditions of previous grants.

ADDITIONAL MANDATORY FINDINGS

4. On July 1, 1997, the subject project was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference CE 97-0554-PAD, for a Categorical Exemption, Class 5, Category 23. City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 15100. I hereby certify that action.

5. Fish and Game: The subject project, which is located in Los Angeles County, will not have an impact on fish or wildlife resources or habitat upon which fish and wildlife depend, as defined by California Fish and Game Code Section 711.2.

EMILY GABEL-LUDDY
Associate Zoning Administrator

EGL:Imc

cc: Councilmember Nate Holden
Tenth District
County Assessor
Department of Municipal Services
(Formerly Water and Power)
Fire Department, Bureau of Fire
Prevention and Public Safety
City Administrative Officer

EXHIBIT D

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI

TITY OF LOS ANGELE

ROBERT JANOVICI
CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS
EMILY J. GABEL-LUDDY
DANIEL GREEN
LOURDES GREEN
ALBERT LANDINI
LEONARD S. LEVINE
JON PERICA
SARAH A. RODGERS

HORACE E. TRAMEL, JR.

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DEPARTMENT OF
CITY PLANNING
CON HOWE
DIRECTOR

FRANKLIN P. EBERHARD
DEPUTY DIRECTOR

OFFICE OF ZONING ADMINISTRATION

221 NORTH FIGUEROA STREET ROOM 1500 LOS ANGELES, CA 90012-2601 (213) 580-5495 FAX: (213) 580-5569

May 6, 1998

Clifford E. Clement (A)(R) Stocker Resources 5640 South Fairfax Avenue Los Angeles, CA 90056

Department of Building and Safety

CASE NO. ZA 18129(PAD) LETTER OF CLARIFICATION 5707 West Pico Boulevard Wilshire Planning Area Zone : C2-1 and R2-1

D. M. : 129B177

C. D. : 10

CEQA: CE 97-1045-PAD Fish and Game: Exempt Legal Description: Lots 1-8,

Tract 26319

On March 6, 1998, the Zoning Administrator approved, pursuant to Section 13.01-H of the Los Angeles Municipal Code:

Methods and conditions controlling drilling and production operations for the redrilling of seventeen (17) Class "A" oil wells identified as: the Packard drillsite,

Oil Well Number District Ordinance

P3A, P44A U-121130,117

P15A, P22A, P30A, P43B, P49A, U-143133,157 P52B, P59B, P63A

P21A, P29C, P54A U-127130,411

P10A, P61A U-150

P45A, P50C City of Beverly Hills

at the Packard Drillsite, in the C4-1-0 Zone.

It has been brought to the attention of the Administrator that during the redrilling of well No. P10A, the well casing collapsed, making it impossible to continue the redrilling program on said well. The applicant requests access to P10A's bottomhole location through Well No. P49A. The drill path will occur as proposed on the attached map,

labeled Exhibit "A". There will be no change of the surface location for either well, nor will any additional surface installations be required.

The applicant will secure proper clearance from the Los Angeles Fire Department to complete safe and secure well abandonment for Well No. P10A.

In consideration of these facts, the Administrator determines that access to the bottomhole of P10A through Well P49A is a reasonable alternative. A collapsed well is not unusual as it is encountered throughout the industry with old wells; and the applicant is required to plug and abandon the well in accordance with City and State procedures.

EMILY J. GABEL-LUDDY

Associate Zoning Administrator

EGL:Imc

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Car

cc: Councilmember Nate Holden

Tenth District

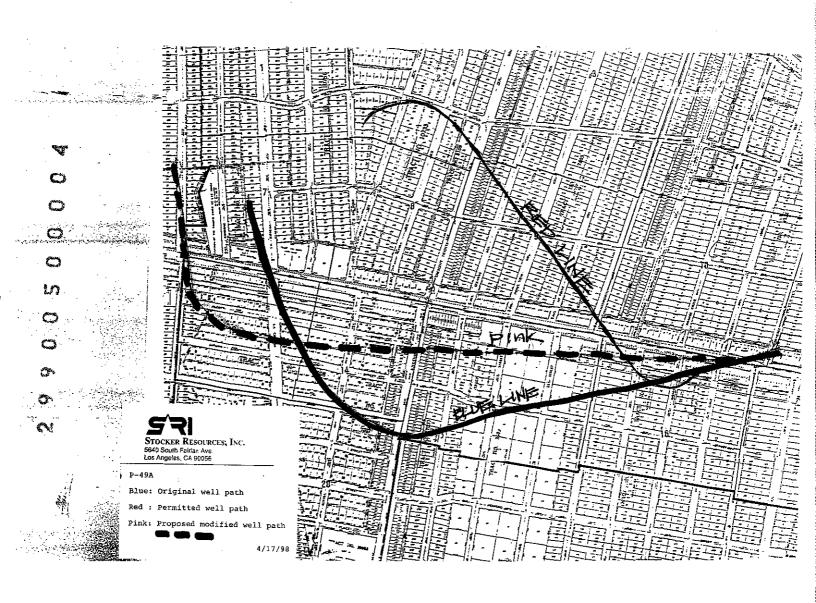
City Administrative Officer

Department of Municipal Services

(Formerly Water and Power)

Fire Department, Inspector Tom Kinley,

550 Sampson Way San Pedro, CA 90731



ZA 18129

EXHIBIT E

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI



OFFICE OF ZONING ADMINISTRATION

City Hall 200 N. Spring Street, Room 763 Los Angeles, CA 90012

OFFICE OF ZONING ADMINISTRATION <u>MEMORANDUM</u>

ZA MEMORANDUM NO. 133

September 19, 2016

TO: Office of Zoning Administration

Development Services Centers Department of Building and Safety

Department of Public Works - Bureau of Engineering

Los Angeles Fire Department

Los Angeles Department of Water and Power

FROM: Linn K. Wyatt

Chief Zoning Administrator

SUBJECT: APPLICATION AND PROCESSING REQUIREMENTS, INCLUDING

CEQA REVIEW, FOR OIL AND GAS APPROVALS PURSUANT TO LOS

ANGELES MUNICIPAL CODE SECTION 13.01-H.

This Memorandum supersedes ZA Memorandum No. 94, dated December 12, 1994, and ZA Memorandum No. 94A, dated March 24, 2000.

This Memorandum is intended to establish a comprehensive set of procedures and policies for the acceptance and processing of applications for oil drilling approvals pursuant to Los Angeles Municipal Code (LAMC) Section 13.01-H and to establish City guidelines for the California Environmental Quality Act (CEQA) review of Section 13.01-H oil drilling applications.

I. Background

The LAMC requires a formal application and a filing fee in conjunction with a request for a determination of conditions for the conduct of oil drilling pursuant to LAMC Section 13.01-H. Other than the requirement for an application and payment of a filing fee, the LAMC contains no express procedural requirements for the determination of conditions under Section 13.01-H for an original approval or for a modification or clarification to a previously approved determination of conditions.

Z.A. Memoranda Nos. 94 and 94A

Historically, as described in ZA Memoranda Nos. 94 and 94A, applicants were permitted to apply for modifications to the original conditions for oil drilling approvals through the use of a more limited review process (similar to a plan approval under LAMC Section 12.24-L and M).

The use of the process outlined in Memoranda Nos. 94 and 94A is no longer permitted for any Section 13.01-H application, including those submitted as a determination of conditions, modification of condition, request for clarification, or related approval. All applicants seeking an approval under Section 13.01-H must follow the application procedures outlined in this Memorandum. All applications seeking any approval under Section 13.01-H will be processed by the City, including the Office of the Zoning Administrator, pursuant to this Memorandum.

Existing Approvals with Modification Procedures

In addition to the above historical process, there are existing active approvals which include conditions establishing a process for subsequent modifications or condition review. An example of one condition reads substantially as follows:

Drilling operations for the first X wells identified in the grant clause of the instant determination shall be completed within 36 months from the effective date of this determination. The drilling for the following X wells as hereby authorized shall be subject to a review of plans by the Zoning Administrator, without a public hearing, for the purpose of updating the record with the well identification and path.

Another condition reads substantially as follows:

Review of Conditions. Two years following completion of construction... the applicant shall submit a Plan Approval application for reviewing the effectiveness of these conditions. ... The applicant shall submit a 500-foot radius map with accompanying labels for owners and occupants. The Zoning Administrator may set the matter for public hearing if warranted.

Both of these conditions include processes that are inconsistent with the processes established in this Memorandum. The first condition is inconsistent because it allows for modifications without a public hearing. The second condition is inconsistent because it allows the Zoning Administrator to not set a public hearing for a Plan Approval and implies the notice radius is 500 feet.

To the extent that any existing condition or grant in an existing approval gives the Zoning Administrator discretion in the process to be followed for a modification or condition review, the procedures in this Memorandum shall be followed, in accordance with the findings in Section II and the purpose statements in Section III.

To the extent that any existing condition or grant in an existing approval mandates a procedure that is inconsistent with this Memorandum, the Zoning Administrator shall consider whether a Plan Approval process shall be initiated by the City to revise any conditions to protect the public health, safety and welfare, including any condition establishing a process inconsistent with the purpose of this Memorandum. On the other hand, if an existing condition or provision is not modified through a Plan Approval, then the process outlined in the existing approval shall be followed.

Nothing in this Memorandum is intended to expand the authority the City has to initiate a Plan Approval.

II. Findings

In issuing this Memorandum, the Zoning Administrator makes the following findings:

A. In adopting the California Environmental Quality Act¹, the Legislature declared:

It is the intent of the Legislature that all agencies of the state government which regulate activities of private individuals, corporations, and public agencies which are found to affect the quality of the environment, shall regulate such activities so that major consideration is given to preventing environmental damage, while providing a decent home and satisfying living environment for every Californian. (Public Resources Code Section 21000(g).

- B. The CEQA Guidelines provide that CEQA's basic goal of protecting the environment has two purposes:
 - (1) avoiding, reducing, or preventing environmental damage where possible by requiring alternatives or mitigation measures; and
 - (2) providing information to decision-makers and the public concerning the environmental effects of proposed and approved actions. (CEQA guidelines 15002(a).)
- C. One oft-repeated purpose of the CEQA Guidelines is to provide for public participation, including as set forth in Section 15201:

Public participation is an essential part of the CEQA process. Each public agency should include provisions in its CEQA procedure for wide public involvement, formal and informal, consistent with its existing activities and procedures, in order to receive and evaluate public reactions to environmental issue related to the agency's activities. Such procedure should include, wherever possible,

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¹ Public Resources Code, Sections 21000, et seq.

making environmental information available in electronic format on the Internet, on the web site maintained and utilized by the public agency.

D. Although CEQA does not require formal hearings at any state of the environmental review process, section 15202 provides that:

. . .

- (b) If an agency provides a public hearing on its decision to carry out or approve a project, the agency should include environmental review as one of the subjects for the hearing.
- (c) A public hearing on the environmental impact of a project should usually be held when the lead agency determines it would facilitate the purposes and goals of CEQA to do so. The hearing may be held in conjunction with and as part of normal planning activities.

. . .

- (f) A public agency may include, in its implementing procedures, procedures for the conducting of public hearings pursuant to this section. The procedures may adopt existing notice and hearing requirements of the public agency for regularly conducted legislative, planning, and other activities.
- E. Applications for oil and gas projects under LAMC Section 13.01-H have the potential to create unique risks and hazards to have the potential for significant and immediate impacts on the health, safety, and welfare of the residents in and around the project site through increased noise, odor, dust, traffic, and other disturbances, as well as the potential to significantly impact the City's air, water, soil, biological quality, geology, water, stormwater and wastewater infrastructure, transportation, emergency response plans and other aesthetic values and community resources.
- F. People living and working within the land use and environmental impact range of oil and gas operations and activities have a substantial interest in participating in a public hearing on 13.01-H approvals.
- G. Section 13.01-H provides authority for the Zoning Administrator to condition, approve or deny a Section 13.01-H application under the City's police powers to protect public health, safety and welfare and to issue and implement reasonable procedures to process Section 13.01-H applications consistent with the requirements for due process.

III. Purpose and Intent of Memorandum

This Memorandum is issued with the following intent:

- Ensure that the City complies with all legal requirements of CEQA in approving Section 13.01-H projects;
- Provide all parties that may be impacted by a project subject to a Section 13.01-H application an opportunity to participate in a public hearing;
- Meet the intent of CEQA in the review and approval of CEQA findings and determinations, to provide adequate public participation;
- Ensure that staff has time to adequately consider and respond to, if necessary, evidence submitted on a Section 13.01-H application and its related environmental findings (including the CEQA Guideline Section 15300.2 exceptions) prior to the issuance of any decision;
- Provide decision-makers and City Staff, and the public with the information and data needed for adequate decision-making under CEQA and Section 13.01-H;
- Ensure that Section 13.01-H applications are processed efficiently;
- Ensure that applicants, staff, and the public can rely on a consistent practice in reviewing Section 13.01-H applications;
- Provide for transparent disclosure and participation process; and
- Ensure that the city's processing and approvals pursuant to 13.01-H will not result in adverse effects to public health, safety, and welfare

IV. Application Requirements

The original case number shall be used for the plan approval request. Before an application may be deemed complete, the applicant must submit:

- 1) A completed "Land Use Application For Oil & Gas Project Conditional Approval" (CP Form CP-7834) with all required attachments, as specified in the application and the Instructions (CP Form CP-7833.)
- 2) A completed Environmental Assessment Form for Oil and Gas Projects (EAF-O, CP-7832), with all required attachments.
- 3) The filing fee pursuant to LAMC Section 19.01.

V. Processing Section 13.01-H Applications

A. CEQA Review

The following review procedures are intended to provide guidelines to implement CEQA on all Section 13.01-H applications. Nothing in this Memorandum or the guidelines provided herein are intended to conflict with CEQA. To the extent that these guidelines are silent or ambiguous, the Zoning Administrator shall fall back on the requirements and intent of CEQA. To the extent that these guidelines impermissibly conflict with CEQA, the provisions of CEQA control. Nothing in these Guidelines is intended to conflict with the Permit Streamlining Act, Gov't Code Section Government Code § 65920 et seq.

1. Preliminary Review for Exemptions

No categorical exemption forms will be processed for consideration or issued at the Planning Department Development Services. The applicant shall submit a complete EAF-O form with their application, which shall be reviewed by the Zoning Administrator. The Zoning Administrator will conduct a preliminary review to determine whether the application qualifies for an exemption from environmental review pursuant to CEQA. The Zoning Administrator may require the applicant to provide additional supporting materials from the applicant to support the use of a categorical exemption.

An application to drill, re-drill, deepen, or convert a well is not eligible for a categorical exemption and shall require an Initial Study or an EIR as described in section V.A.2. All other projects may be reviewed to determine if the project is exempt under any applicable categorical exemption in CEQA Guidelines Section 15300-15333 or any City Guidelines (adopted pursuant to CEQA). If a project is determined not to fall into any categorical exemption based on the project description, an Initial Study shall be prepared pursuant to section V.A.2. If the project falls within a categorical exemption, the Zoning Administrator shall determine if, based upon the whole of the record, any exception to any exemption under CEQA Guidelines, Section 15300.2, applies to the project, including, but not limited to the following:

Cumulative Impact. 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.

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.

If the project is determined to be categorically exempt (CE) and no exceptions apply, the Zoning Administrator shall do all of the following:

- Give the public hearing notice required in section V.B., including a notice of an intent to adopt a categorical exemption to all property owners and occupants within a 1,500-foot radius of the project site's outer boundary, and provide for a 35-day comment period on the project, prior to approval. The public hearing may be held during the comment period. The hearing notice (with the notice of intent to adopt a CE) must be provided in English and Spanish.
- If after the 35-day comment period, or any time prior to making a decision on the project, the Zoning Administrator determines that substantial evidence does not support the use of the exemption, including from the existence of an exception in Section 15300.2, the Zoning Administrator shall require an Initial Study to be prepared consistent with the procedures outlined herein.

- Alternatively, if the Zoning Administrator finds after the 35-day comment period, or any time prior to making a decision on the project, that additional information and analysis is required to determine if the categorical exemption is supported with substantial evidence, and the applicant desires the City to use a categorical exemption rather than a prepare an Initial Study, the Zoning Administrator may require the applicant to submit additional information or documents and/or technical studies or reports, including requiring the applicant to hire independent consultants to prepare any necessary technical studies or reports or peer review any prepared studies or reports. If after reviewing any additional documents, reports or studies, required by the Zoning Administrator, it is determined that a categorical exemption is not supported by substantial evidence, an Initial Study shall be prepared.
- If the use of the categorical exemption is supported by substantial evidence in the record at the time of the decision, the Zoning Administrator shall ensure the record contains a memorandum or narrative substantiating the use of the categorical exemption, including explaining how substantial evidence in the administrative record supports the use of the exemption, and that the Zoning Administrator considered whether any exception to an exemption under CEQA Guidelines Section 15300.2 is applicable, including providing where necessary an explanation or evidence to demonstrate that any comments submitted on the intent to adopt the Categorical Exemption do not provide substantial evidence that an exception applies or the exemption does not apply.

2. Initial Study Determination

For any project that does not qualify for a categorical exemption, including any project to drill, redrill, or convert a well, an Initial Study must be completed.

Nothing in this subsection is intended to require the preparation of an Initial Study, when a preliminary review of the project demonstrates an EIR is clearly required, pursuant to CEQA Guidelines Section 15060(d).

The Initial Study must be prepared by an environmental consultant with the qualifications and experience required in this Memorandum. The Zoning Administrator may require the applicant to provide any additional documents, information or technical studies or reports necessary to complete the environmental review of the project, including requiring the applicant to hire an independent contractor to prepare or peer review technical studies or reports. The Initial Study shall comply with Section 15063 of the CEQA Guidelines and be prepared using Appendix G to the CEQA Guidelines and any City issued procedures or guidelines.

If the Initial Study shows both of the following Health Impact Assessment Criteria apply, the Zoning Administrator shall also require a Health Impact Assessment (HIA), as defined in Subsection V.A.5., before preparing the environmental clearance for the project:

- one or more of the air or hazards impact thresholds on Appendix G identified as III(a), III(b), III(d), VIII(a), VIII(b), VIII(c), or VIII(g) are found to be "less than significant impact with mitigation"; and
- the project is within 1,500 feet of any sensitive receptors, as defined by SCAQMD.

After the Initial Study is completed (and the HIA, if necessary), the Zoning Administrator will determine whether the proposed environmental clearance for the proposed project is a Negative Declaration (ND) or a Mitigated Negative Declaration (MND) or whether an EIR is required pursuant to sections 15065 or 15064 of the CEQA Guidelines.

If the Initial Study demonstrates that all of the impact areas will have no impact or less than significant impact, the Zoning Administrator may prepare a ND. (Note: if the Health Impact Assessment Criteria apply, a ND could not be prepared because the Initial Study identified significant impact requiring mitigation.)

If the Initial Study (and the HIA, if required) demonstrates that the project will not result in a significant impact with mitigation imposed, the Zoning Administrator may prepare a MND.

If the Initial Study (and the HIA, if required) demonstrates that the project may result in a significant impact to the environment that cannot be mitigated to less than significant, the Zoning Administrator shall require the preparation of an EIR. In determining whether an EIR is required, the Zoning Administrator shall review and consider all of the following CEQA Guidelines, without limitation to any other applicable requirements of CEQA:

- 15064 (guidelines on determining significant impacts),
- 15064.4 (guidelines on determining greenhouse gas impacts),
- 15064.5 (guidelines on determining cultural and archaeological impacts), and
- 15065 (guidelines requiring consideration of Mandatory Findings of Significance, including subsection (a)(4): "The environmental effects of a project will cause substantial adverse effects on human beings, either directly or indirectly.")

If an ND or MND is issued, the Zoning Administrator shall publish a Notice of Intent to Adopt an ND or MND pursuant to CEQA Guidelines Section 15073, prepare the ND or MND findings (and the Mitigation Monitoring Program for a MND) and process the application pursuant to Section IV. The Public Hearing notice sent in section V.B. will include a statement that the City has published a Notice of Intent to Adopt an ND or MND and include a link to the City's website where the Notice of Intent is published. The Notice of Intent to Adopt an ND or MND shall be published on the City's website in English and Spanish.

If the Initial Study demonstrates the project requires an Environmental Impact Report (EIR), the Zoning Administrator shall follow the procedures in section V.A.3.

3. Environmental Impact Report

If an EIR is to be prepared on a project, in addition to any other requirements of CEQA, the City will require all of the following:

- Provide the Notice of Preparation to all property owners and occupants within a 1,500-foot radius of the project site's outer boundary; and
- Prepare a Health Impact Assessment, as defined in section V.A.5., if not already prepared, and provide a relevant summary of the Health Impact Assessment in the EIR where appropriate to inform the required analysis. The Health Impact Assessment shall be considered in any certification of the EIR and the approval, conditional approval, or denial of the Section 13.01-H application.

An environmental consultant with qualifications and experience provided in section V.A.4 must prepare the EIR. The EIR must be prepared and certified in compliance with CEQA, including but not limited, CEQA Guideline Sections 15080-15097, 15120-15155.

4. Environmental Consultant Qualifications

The City shall ensure that any environmental consultant that is preparing an Initial Study, MND, ND, or an EIR on a 13.01-H project has the following qualifications and experience:

- The Project Manager has at least seven (7) years' experience preparing CEQA documents.
- The Project Manager has prepared and/or reviewed at least five (5) EIRs for projects involving oil and gas drilling or production.
- The consultant or consultant team, including any subcontractors, have demonstrated training, knowledge, and experience in the following topic areas as they specifically relate to oil and gas projects: environmental health, public health, hazardous materials, air quality, GHG emissions, water quality, geology, noise, traffic, aesthetics, and risk and safety issues.
- In the case of EIRs or MNDs requiring Health Impact Assessments, the consultant team, including any subcontractors, has at least five (5) years' experience in preparing Health Impact Assessments. The consultant who prepares the HIA shall be familiar with accepted HIA process and content including, but not limited to, the "Minimum Elements and Practice Standards for Health Impact Assessment," Version 3.

The City shall ensure that all environmental consultants have copies of this Memorandum prior to preparation of any Initial Study, ND, MND or EIR.

5. Health Impact Assessment (HIA)

A HIA is defined as follows:

A study of the project for the surrounding vicinity identifying pollution and population indicators, such as, but not limited to, those analyzed in the

California Communities Environmental Health Screening Tool; the number of people affected by the project; short term or permanent impacts caused by the project; likelihood that impacts will occur; and recommended mitigation measures.

Any HIA required under these procedures shall be used to inform whether an EIR is required and whether to approve, condition, or deny the application under Section 13.01-H.

B. Public Participation

The Zoning Administrator will hold a public hearing on all Section 13.01 applications prior to project approval.

Notice of this public hearing must be sent to all property owners and occupants within a 1,500-foot radius of the project site's outer boundary, in English and Spanish. For projects being approved with a CE, ND or MND, the Notice of Intent to Adopt a CE, ND or MND may be combined with the public hearing notice.

C. Final Determination

Notices of final decisions will be issued to the applicant, all residents abutting the project site, and all individuals who request such notice.

All Zoning Administrator Section 13.01-H Determinations may be appealed to the Area Planning Commission. The Area Planning Commission decision is final. All CEQA determinations by the Zoning Administrator or the Area Planning Commission are subject to appeal to the City Council pursuant to Public Resources Code Section 21151(c).

Nothing in this Memorandum is intended to limit the Zoning Administrator's express and inherent authority to administer LAMC Section 13.01-H.

LKW:lw

EXHIBIT F

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI

MICHAEL LOGRANDE
CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS

PATRICIA BROWN
R. NICOLAS BROWN
SUE CHANG
ANIK CHARRON
LARRY FRIEDMAN
LOURDES GREEN
ERIC RITTER
LINN K. WYATT
MICHAEL S.Y. YOUNG
MAYA E. ZAITZEVSKY





MAYOR

DEPARTMENT OF CITY PLANNING

S. GAIL GOLDBERG, AICP DIRECTOR

OFFICE OF ZONING ADMINISTRATION

200 N. SPRING STREET, 7™ FLOOR LOS ANGELES, CA 90012 (213) 978-1318 FAX: (213) 978-1334 www.lacity.org/PLN

March 17, 2009

Steven P. Rusch (A)(O)
Plains Exploration & Production Company
5640 South Fairfax Avenue
Los Angeles, CA 90056

Edgar G. Salazar (R) 5640 South Fairfax Avenue Los Angeles, CA 90056 CASE NO. ZA 18129(PA2) and Yard Case No. 14549 APPROVAL OF PLANS 5707 West Pico Boulevard Wilshire Planning Area

Zone : C4-1-O and R1-1-O

D. M. : 129B177

C. D. : 10

CEQA: ENV-2008-2157-CE Legal Description: Lots 1-8.

Tract 26319

Pursuant to Section 13.01-H of the Los Angeles Municipal Code, I hereby APPROVE:

Methods and conditions controlling drilling and production operations for the redrilling of three (3) oil wells identified as P-3A, P-48B, and P-38B of the Packard drill site within Urbanized Oil Drilling District Nos. U-122, U-127 and U-159, respectively, and

Plans to modify Condition Nos. 3, 5, and 9 of Case No. ZA 18129, dated June 9, 1966 to allow:

- a. the landscape buffer along portion of the northerly and westerly property lines to observe a setback of 22 feet in lieu of the originally required 25 feet, and
- b. the installation of a sound attenuation wall observing a maximum height of 20 feet 1-3/4 inches, and length of 95 feet 11 inches outside the existing northerly masonry perimeter wall, and a length of 59 feet 11 inches outside the existing westerly masonry perimeter wall, and
- deliveries to be made by entering and exiting through the driveway on either Genessee Avenue or Spaulding Avenue without passing through the drilling building,



Pursuant to Section 13.01-H of the Los Angeles Municipal Code, I hereby DENY:

Plans to modify Condition No. 4 of Case No. ZA 18129, dated June 9, 1966, to allow the placement outside of the drilling building of selected components associated with the drilling operations, and

Pursuant to Charter Section 562 and Section 12.27-U of the Los Angeles Municipal Code, I hereby <u>APPROVE</u>:

Plans to modify Condition No. 1 of Yard Case No. 14549, dated June 9, 1966 to allow the landscape buffer along portion of the northerly property line to observe a setback of 22 feet in lieu of the originally required 25 feet,

upon the following additional terms and conditions:

- 1. The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-1" dated April 30, 2008.
- 2. All terms and conditions specified under extant Case No. ZA 18129 and Yard Case No. 14549, as may have been modified by subsequent determinations of methods and conditions, shall be strictly complied with, except as authorized by this grant.
- 3. Drilling operations may be conducted seven days per week on a 24 hour basis, including any nationally recognized holiday. Drilling operations shall be completed either within 90 days (approximately 30 days per well) from the effective date of this determination or within 90 days from the actual commencement of re-drilling operations for the first well, allowing for approximately 30 days per well, in which case a drilling log shall be maintained by the applicant and provided to the Zoning Administrator, with substantiating documents, to determine compliance with the approved schedule. Drilling days need not be consecutive.
- 4. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 5. Prior to the issuance of any permits relative to this approval, the applicant shall post a 24 hour Hotline telephone number on the exterior of the premises. Said number shall be readily observable from the adjacent residential development along both Genessee and Spaulding Avenues and shall be easily observable from the exterior of the premises. The hotline shall be maintained as a means for residents of the area to report noise or other problems that may occur as a result of the proposed drilling operation.



- 6. There shall be no nighttime maintenance of drilling equipment permitted after 7 p.m. except in the case of a well response problem or an emergency.
- 7. All drilling equipment shall be insulated so as to reduce noise resulting from the proposed re-drilling. Insulation shall be maintained on the drilling apparatus during the entire period that the subject wells are being re-drilled.
- 8. During the period proposed for the re-drilling, pipe shall not be pulled from any of the wells prior to 7 a.m. or after 7 p.m. except in the case of a well response problem or an emergency.
- 9. In order to reduce the amount of noise emanating from the site, all drilling and reworking operations at the site shall be carried on only by electrical power and such power shall not be generated on the controlled drilling site.
- 10. All audible loud speakers and paging systems shall be turned off during the hours between 7 p.m. and 7 a.m. except for emergencies.
- 11. All tools, pipe and other equipment used in connection with the drilling or reworking operations shall be stored on the site within the enclosed portion of the site and shall not be stored or kept in any exterior area adjacent to any residential use.
- 12. Personnel using the parking lot adjacent to the residential area on Spaulding Avenue shall only utilize the lot for parking purposes. There shall be no loitering, eating, playing of radios or loud music or similar activities permitted in the parking lot at any time.
- 13. A copy of these conditions and related plans shall be maintained on site at all times. A designated person shall be responsible for being familiar with these conditions and for their enforcement at all times, particularly between the hours of 7 p.m. and 7 a.m.
- 14. All operations shall be conducted within the 135-foot high acoustically treated drilling structure and noise from all drilling operations shall not exceed average street noise (70dBA).
- 15. As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted twenty-four hours a day, seven days a week, no work, including delivery of materials, shall be conducted on the property between the hours of 7 p.m. of one day and 7 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7 p.m. of and 7 a.m., the applicant shall operate its facility in "Quiet Mode." "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; the applicant's employees and contractors shall be prohibited from yelling.

except during an emergency, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency purposes only). The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergent situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling rig on and off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversize/overweight load) truck deliveries shall be permitted from 7 a.m. to 7 p.m., on week days, none during weekends and holidays.

- 16. A sound attenuation wall, not to exceed 20-foot 1-3/4-inch in height, shall be erected adjacent to the existing block wall on the north and west sides of the site as shown on Exhibit 'A-2', attached). The sound wall material shall have a minimum STC rating of 25.
- 17. The sound wall and drilling building gates and doors shall be closed at all times except for material delivery or pick up.
- To verify and document sound level compliance, continuous sound level measurement and monitoring shall be completed during all drilling activity periods.

19. Vehicular Access

The following traffic mitigation plans shall be implemented for the operation of the site:

- The operator shall designate a traffic control coordinator who will be responsible for oversight of the traffic mitigation measures.
- All access doors, including personnel access doors, shall be kept closed between the hours of 7 p.m. and 7 a.m. At all other times exterior doors shall remain closed except when actually in use for ingress or egress of personnel, supplies, vehicles or equipment.
- The applicant shall instruct all delivery personnel to approach and depart the site via Pico Boulevard in order to reduce traffic impact on the residential streets adjacent to the project. Vehicles making deliveries or pickups at the site shall enter the site at one of the Avenues and exit the site at the other Avenue from or to Pico Boulevard and not utilize the Avenues northerly of the site.



a. <u>During normal operations</u> (Exhibit 'A-3')

- There shall be no delivery or removal of materials, tools, or pipe used for drilling on the site prior to 7 a.m. or after 7 p.m. except in the case of a well response problem or an emergency.
- 2) Deliveries shall be pre-arranged: when the current truck has finished unloading and is actually leaving the site, the next truck driver shall be called and informed of access to the site with instructions regarding the proper access gate.
- 3) Delivery vehicles shall be prohibited from blocking any public or private driveway or idling in the proximity of any residence.
- 4) Delivery vehicles shall be prohibited from driving past the site's northerly property line on either Spaulding or Genessee Avenues.
- 5) All trucking companies shall acknowledge receipt of these conditions and plans in writing.

b. <u>During Drilling Mobilization</u>, Operations and Demobilization (Exhibit 'A-4')

- 1) There shall be no delivery or removal of materials, tools, or pipe used for drilling on the site prior to 7 a.m. or after 7 p.m. except in the case of a well response problem or an emergency.
- The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or redrilling of wells. Further, to reduce congestion to the residential neighborhoods abutting the drillsite, the applicant shall employ flag men during periods of heavy truck traffic and the applicant's employees and contractors shall be prohibited from parking on Pico Blvd., Genesee Avenue or Spaulding Avenue during the period when the facility is being prepared and/or utilized for drilling and re-drilling purposes.
- Delivery trucks shall be staged off-site so as to eliminate wait time to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given delivery truck, the applicant shall not call for the delivery of such truck unless and until another delivery truck parked within the facility has actually left the facility. The maximum number of oversize/overweight truck deliveries allowed for moving the drilling rig on and off the premises shall not exceed 20 loads per day for a period of five days. Except for the five days required to move the drilling rig on and off the premises, the number of "permitted" truck deliveries per day (week days only, none on weekends and holidays) shall be limited to a maximum of ten. The

number of "non-permitted" truck deliveries per day (week days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (weekends and holidays only) shall be limited to a maximum of five.

- One of the driveways shall pass through the oil drilling building. All loading and unloading of drilling pipe and other equipment used in the drilling operations shall be conducted within said building except when the load cannot pass through the drilling building. The delivery may be made by entering into the drilling building by either Spaulding or Genessee Avenues and exiting the building onto the same Avenue and proceeding southerly towards Pico Boulevard.
- 5) The drilling company shall confirm the permitted route to the drill site with the traffic control coordinator, as well as the return route to the staging area.
- 6) Delivery vehicles shall be prohibited from blocking any public or private driveway or idling in the proximity of any residence.
- 7) Delivery vehicles shall be prohibited from driving past the site's northerly property line on either Spaulding or Genessee Avenues.
- 8) All trucking companies shall acknowledge receipt of these conditions and plans in writing.
- 9) During rig mobilization and demobilization, the applicant shall employ two flag persons and a coordinator who will record and control the truck traffic.
- 10) During rig mobilization and demobilization movements, arrangements shall be made by the applicant for a Los Angeles Traffic Control Officer to be on site to ensure compliance with this plan and assist in controlling truck traffic.
- 11) During drilling mobilization, de-mobilization and operations, personnel shall be required to carpool to the drill site in order to reduce the number of vehicles using the parking lot located on the east side of Spaulding Avenue.
- 20. Prior to the start of the drilling equipment mobilization, the site's pre-drilling ambient ground and air-borne vibration level shall be measured and documented. Ground-borne vibration levels, measured in peak particle velocity (ppv) levels in inches per second (ips) in the vertical (z) direction shall be measured with portable VM Profound Vibration Meters. The peak velocity levels shall be logged every five seconds over the duration of the measurement survey. Air-borne vibration levels, measured as low frequency sound levels below 100 hz, shall be measured with a Bruel & Kajer Model 2250 Sound Level Analyzer. The low frequency sound levels

shall be measured and logged every second over the duration of the measurement survey. Both the ground-borne and air-borne vibration level surveys shill be completed at a minimum of three locations within the site and at three off-site locations in the adjacent residential neighborhood. The measured ground-borne and air-borne vibration levels shall be utilized as a baseline for comparing drilling vibration impact levels at the site during drilling operations.

- 21. At the start of the drilling operations, a ground-borne and air-borne vibration level survey shall be completed both at the Site and adjacent residential neighborhood to measure and document drilling generated vibration levels. The measured operational vibration levels will be compared to the measured pre-drilling vibration levels to verify that no ground-borne or air-borne vibrations are being generated from the drilling operations.
- 22. Prior to the start-up of the drilling rig mud shaker units, rubber isolation pads shall be installed between the shaker unit and the support base.

In the case where any ground-borne vibration is observed, the source generation equipment shall have isolators installed to prevent energy transfer into the ground. In the case of any air-borne low frequency sounds being measured, the source equipment will have sound barriers installed on the equipment. Additional ground-borne and air-borne measurements shall be completed after mitigation measures are completed to verify and document vibration level compliance during all drilling activity periods.

- 23. The applicant shall maintain and implement all necessary measures included in its current Spill Prevention Control and Countermeasures (SPCC) Plan dated June 2005.
- 24. A landscape plan, together with an automated irrigation plan, prepared by a licensed landscape architect or licensed landscape contractor shall be prepared to the satisfaction of the Zoning Administrator showing planting material the objective of which is to minimize the visual impact of the existing and proposed walls, as well as the aesthetic coverage of any remaining ground area between the walls and the public sidewalk, and improved landscaping of the setback area adjacent to Pico Boulevard.

OBSERVANCE OF CONDITIONS - TIME LIMIT - LAPSE OF PRIVILEGES - TIME EXTENSION

All terms and Conditions of the approval shall be fulfilled <u>before</u> the use may be established. The instant authorization is further conditional upon the privileges being utilized within two years after the effective date of approval and, if such privileges are not utilized or substantial physical construction work is not begun within said time and carried on diligently to completion, the authorization shall terminate and become void. A Zoning Administrator may extend the termination date for one additional period not to exceed one year, prior to the termination date of the period, if a written request on appropriate forms, accompanied by the applicable fee is filed therefore with a public Office of the Department



of City Planning setting forth the reasons for said request and a Zoning Administrator determines that good and reasonable cause exists therefore.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after APRIL 1, 2009, 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 www.lacity.org/pln. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street, 4th Floor Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251



Los Angeles, CA 90012 (213) 482-7077

Van Nuys, CA 91401 (818) 374-5050

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.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Zoning Administrator who acted on the case. 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, the report of the Zoning Analyst thereon, the statements made at the public hearing on August 11, 2008, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

BACKGROUND

REQUESTS

With this application, the applicant is requesting the following:

- 1. Pursuant to Section 13.01-H of the Los Angeles Municipal Code, approval of
 - A. Methods and conditions controlling drilling and production operations for the re-drilling of three (3) oil wells identified as P-3A, P-48B, and P-38B of the Packard drill site within Urbanized Oil Drilling District Nos. U-122, U-127 and U-159 respectively, and
 - B. Plans to modify Condition Nos. 3, 4, 5, and 9 of Case No. 18129, dated June 9, 1966 to allow:
 - 1. the landscape buffer along portion of the northerly property line to observe a setback of 22 feet 9 inches in lieu of the originally required 25 feet, and
 - 2. the installation of a sound attenuation wall observing a maximum height of 20 feet 1-3/4 inches, and length of 92 feet 11 inches outside the existing northerly masonry perimeter wall, and

- 3. the placement outside of the drilling building of selected components associated with the drilling operations, and
- 4. deliveries to be made by entering and exiting through the driveway on either Genessee Avenue or Spaulding Avenue without passing through the drilling building, and
- 2. Pursuant to Charter Section 562 and Section 12.27-U of the Los Angeles Municipal Code, approval of:

plans to modify Condition No. 1 of Yard Case No. 14549, dated June 9, 1966 to allow the landscape buffer along portion of the northerly property line to observe a setback of 22 feet 9 inches in lieu of the originally required 25 feet.

PUBLIC INPUT

A public hearing on the matter was held on August 11, 2008, where the applicant's representatives presented the requests and responded to questions of the Zoning Administrator regarding details of the proposals. One person spoke in support of the requests. Six persons spoke in opposition to the requests. One person expressed no opposition, but concerns about the same issues raised by other speakers. A representative of the Council District Office expressed no position at that time, supporting the imposition of mitigation measures, including the wrapping around of the sound wall, a maximum of 90-day drilling period, no idling truck on public streets, the utilization of traffic control officers when needed, and landscaping of the setback areas.

At the close of the public hearing, the matter was taken under advisement with instructions to the applicant to report on the noise, and traffic mitigation plans, as well as possible vibration issues, and present the results to interested neighbors. Such studies were conducted over the following months, with the resulting reports submitted to the Zoning Administrator in September and November 2008. A meeting between eight neighbors, two representatives of the Council District Office and five representatives of the applicant was held on November 17, 2008 where traffic, noise and vibration mitigation measures were presented to the neighbors and the Council District Office, as requested.

Correspondence was received as follows:

In opposition:

- One petition with 123 signatures, accompanied by a log and photographs of nuisances associated with operation of the site
- Two letters, including one providing feedback from the meeting held between the applicant and the neighbors on November 17, 2008, the latter of which accompanied by a copy of a White Paper on Potential Exposure-related Human Health Effects of Oil and Gas Development, prepared by the University of Colorado, Denver and Colorado State University, dated September 15, 2008.



Major points in opposition:

- Drilling noise and vibration
- Hazardous emissions/spills
- Traffic congestion
- Emergency vehicle access impaired by oversized vehicles
- Pedestrian safety
- Health and Safety concerns
- Loss of property values

FINDINGS

1. The subject site, known as the Packard Drill Site, is located on a level, rectangular-shaped parcel of land facing on the north side of Pico Boulevard for a distance of approximately 300 feet, siding on the west side of Spaulding Avenue and the east side of Genessee Avenue for a distance of 250 and 233 feet respectively. The property is classified in the C4-1-O and R1-1-O Zones and is developed with a controlled drill site identified as the Packard Drill Site. The drilling portion of the site, in the C4 Zone adjacent to Pico Boulevard, is enclosed with an architecturally designed, acoustically treated, office-styled structure which attains a height of 135 feet. The northerly portion of the site, in the R1 Zone, is occupied with open production pit and sump pump areas, two buildings housing the machinery room and the control room respectively, and an on-site surface parking area located between the two buildings. The applicant further utilizes an open surface parking area located easterly across Spaulding Avenue from the site, at 1348 Spaulding Avenue for its employee parking.

A review of the past record and information attached to the file indicates that oil drilling and oil production have occurred on the site since 1967 in accordance with the terms and conditions of Case No. ZA 18129 and Yard Case No. 14549, both approved on June 9, 1966. In February 1975, Case No. ZA 21616, allowed the expansion of the facility and the optional use of diesel or gas powered equipment in the drilling, re-drilling or workover of the oil wells. In addition, over time, various plan approvals have been filed and approved for re-drilling of wells and other activities. The most recent of these plan approvals dated February 4, 2002, approved the re-drilling of 8 Class A wells within this drill site.

A. Re-drilling of three wells

Three oil wells identified as P-3A, P-48B, and P-38B of the Packard drill site are requested to be authorized to be re-drilled to bottom within Urbanized Oil Drilling District Nos. U-122, U-127 and U-159 respectively.

Urbanized Oil Drilling District No. U-122 was established by Ordinance No. 130,118, which authorized the Zoning Administrator to permit drilling and production from a maximum of seven (7) production wells. Currently, there is one active production well bottomed in U-122. Well No. P-3 is currently an idle water injection well. The

applicant requests the authority to re-drill Well No. P-3 as Well No. P-3A and to convert it from a Class "B" well to a Class "A" well. Upon approval of this application and drilling of the proposed well, there will be a total of two (2) production wells bottomed in U-122.

Urbanized Oil Drilling District No. U-127 was established by Ordinance No. 130,No. 411, which authorized the Zoning Administrator to permit drilling and production from a maximum of eight (8) production wells. Currently, there are four (4) active production wells in U-127. Well No. P-48A is an idle injection well bottomed in U-122. The applicant requests the authority to re-drill Well No. P-48A as Well No. P-48B to bottom in U-127 and convert it from a Class "B" well to a Class "A" well. Upon approval of this application and drilling of the proposed well, there will five (5) production wells bottomed in U-127.

Urbanized Oil Drilling District No. U-159 was established by Ordinance No. 136,467, which authorized the Zoning Administrator to permit drilling and production from a maximum of five (5) production wells. Currently, there is one (1) active production well in U-159. Well No. P-38 is an idle injection well bottomed in U-121. The applicant requests the authority to re-drill Well No. P-38 as Well No. P-38A to bottom in U-159 and convert it from a Class "B" well to a Class "A" well. Upon approval of this application and drilling of the proposed well, there will two (2) production wells bottomed in U-159.

B. Confirmation of drilling 24 hours a day, 7 days a week.

Such request is consistent with the approval in the original ZA Case No. 18129, and with the last Plan Approval dated February 4, 2002. Further it is consistent with approvals granted to other controlled drill sites within the City. To mitigate noise levels during drilling operations, sound mitigation controls were placed on the controlled drill site with the original approval of plans in 1966 and additional sound controls were put into place in the February 2002 Plan Approval. The applicant discussed the project with Council District Office and agreed to install further sound mitigation controls similar to those recently imposed on drilling operations at the Jefferson and Murphy Controlled Drill Sites. These mitigation measures address limitation on hours of operation, number and type of truck deliveries permitted, and other general measures to ensure a "quiet" mode of operation.

- C. Installation of Sound Attenuation Wall and
- D. Reduced landscape setback along the Northerly boundary of the facility.

The original approval of the drilling site under authority of Case No. ZA 18129 and Yard Case No. 14549, both dated June 9, 1966, involved the vacation of an alley that once separated the four commercial lots fronting on Pico Boulevard from the four residential lots fronting on Genesee and Spaulding Avenues. Condition Nos.5 and 3 in Case No. ZA 18129 and Condition No.1 in Yard Case No. 14549, instituted a 25-foot landscaped setback requirement along approximately three-quarters of the northerly boundary of the drill site, beginning where Genesee Avenue meets the northerly property line. Along a portion of said northerly property line, the drill site

facility is enclosed within a masonry perimeter wall 10 feet 8 inches high, which continues directly into the north facing wall of the machinery room (compressor building) where the northerly wall rises to the height of 21 feet 8 inches.

In order to further reduce the possible impact of the facility on the surrounding neighborhood, and to reduce ambient noise levels coming from the production pit in the northwesterly corner of the facility, the applicant proposes to install a sound attenuation wall immediately adjacent and parallel to the existing masonry perimeter wall along portion of the existing perimeter wall on the northerly side of the site, and to reduce the 25-foot setback to 22 feet 9 inches. At the public hearing, and at the request of several neighbors and the Council District Office, the proposal was slightly extended to have the wall wrap around the westerly portion of the site, and the setback reduced to 22 feet. A sound report prepared by a consultant hired by the applicant discussing the benefits of the proposed sound wall was submitted as part of the application. The sound study (attached to the file) concludes that the proposed sound wall will reduce noise to the residential neighborhood to the north of the facility between 10 and 25dB, depending on the frequency of the noise source, and further concludes that for typical compressor noise spectrum this would be the equivalent to a 19dB (A) noise reduction.

The proposed sound wall is constructed of lightweight, modular panels, with a solid outer face on one side and an open grid pattern on the inside face. The panels are 6 inches deep and contain sound absorbing materials. The sound wall will be placed 2 feet 3 inches to 3 feet from the most northerly and westerly faces of the existing site perimeter masonry wall and will rise to the height of 20 feet, 1 3/4 inches. The sound wall will be set back 22 feet from the respective property lines, with the setback area and the wall attractively landscaped to minimize the visual impact of the wall as seen from a public standpoint.

There are currently three mature trees within the existing landscaped setback, outside the masonry wall. The trees were planted in 1966 as part of an approved landscape design and now stand above 20 feet in height. The proposed installation of the sound wall will not require these trees to be removed. Moreover, they will significantly obscure the view of the proposed wall from the residential properties to the north of the facility.

The installation of the sound wall will require a small reduction in the landscape set back from 25 feet to 22 feet. Currently, there is approximately 6,440 square feet of landscaping along the northwest corner of the property site (where Genesee meets the northerly perimeter of the facility). There is also approximately 8,900 square feet of landscaping along the southerly property line facing Pico Boulevard. By reducing the northerly set back from 25 feet to 22 feet, there will be a loss of approximately 209 square feet of landscaping.

To accommodate the installation of the proposed sound attenuation wall, Condition Nos. 5 and 3 in Case No. ZA 18129 and Condition No.1 in Yard Case No. 14549 need to be modified to reduce the required landscape setback to 22 feet. More specifically, Conditions Nos. 5 and 3 in Case No. ZA 18129 and Condition No.1 in



Yard Case No. 14549 need be modified by replacing the words "25 feet" by the words "22 feet" wherever they appear.

Denial of the request would result for the applicant in practical difficulties and unnecessary hardship inconsistent with the general purpose and intent of the zoning regulations in that it would prevent the installation of a significant improvement to the mitigation measures necessary to minimize the noise impact of the permitted site's activity.

Special circumstances apply to the property, namely a use of land, permitted since 1966, depending on the location of a natural resource not under human control, said use of land being in close proximity to residential uses. Since this activity first being permitted at this location, new sound attenuation materials and measures have been discovered which, once installed will improve the integration of the facility in its immediate environment.

Similar sound attenuation measures have been installed on other property in the City which are occupied by similar oil drilling and production operations. Denying the request would deprive the applicant of a property right otherwise granted under similar circumstance to owners of other property in the City.

The granting of the request will not be materially detrimental to the public welfare or injurious to the property or improvements in the same zone or vicinity in which the property is located and will to the contrary result in a significant improvement of the mitigation measures implemented to address the noise impact of the operation on the immediate surroundings.

Finally, the granting of the request is consistent with the objectives and policies of the General Plan, which aim at maintaining a compatibility of land uses adjacent to each other, inasmuch as the area is located within a designated Oil District and the use has been permitted at this location since 1966. Improved mitigation of eventual impact(s) of a use on its immediate surroundings is consistent with the efforts to achieve compatibility between adjacent land uses.

E. Placement of selected drilling equipment and facilities

Condition No. 4 in the original plan approval in Case No. ZA 18129 requires "That all oil drilling operations including oil drilling machinery, mud pumps and shakers, mud tanks, pipe racks, generators and similar facilities in connection with the actual drilling of the proposed oil wells and the later cleaning out and servicing of the oil wells on the site shall be performed entirely within an attractively designed and maintained soundproofed building "

The applicant requests that Condition No.4 be modified to permit certain ancillary drilling equipment and facilities to be housed and operated outside of the drilling building, as follows:



Equipment	<u>Description</u>	<u>Height</u>
Top Drive Support House (TDSU House)	Distributes Electrical Power	8'
SCR House	Converts electrical AC power Distributes to drilling rig electrical motors	8'
Parts House	Storage compartment for rig Parts and supplies	8'
Change House	Crew clothes change area	8'
Mobile office trailers (2)	Trailer house for PXP and drilling Operator supervisors (12' high with A/C units)	10'
Accumulator	Electric Motor for tri-plex charging pump	5'

The applicant states that none of above mentioned equipment exceeds the height of the existing perimeter wall, except the air conditioning units on top of the mobile office trailers, and that none of the equipment will be visible from outside the drill site. The mobile office trailers would be placed between the existing office structure and the compressor building, and would be fully obscured by those buildings. To address any potential for added noise which may be attributable to this equipment, the applicant commissioned a sound report from a consultant (attached to the file), and indicates that all sound mitigation measures recommended in said report would be implemented.

Contrarily to the other requests made as part of this application, this element is denied. Besides the concern for additional noise and the proposed mitigation measures for such impacts, which would need to further include limited hours of operation for said equipment, a careful review of the proposed site plan shows the proposed equipment located in the northerly driveway and the westerly interior setback area of the property. As such they effectively block the northerly driveway from any other use, including possible access for emergency vehicles should the need arise. As it currently stands, the driveway is about 15 feet wide at its narrowest. The proposed equipment would occupy from 8 to 10 feet of said driveway. Additionally the two proposed mobile trailers would be located over an existing parking area thereby removing approximately five on-site parking spaces. At this point, this Zoning Administrator does not feel comfortable allowing blocking of the northerly driveway and more noise generating uses to be located outside of the insulated building, which would result in a significant intensification of the use of the property, without adequate further environmental review pursuant to CEQA (California Environmental Quality Act). It must be noted here that the instant application is processed under a Categorical Exemption from CEQA, Class 5.



Category 23, described as the granting or renewal of a variance or conditional use for a non-significant use of land. While all other portions of this application pertain to the approval of current operations and improved mitigation measures, this portion of the request reaches far beyond the current intensity of use of the site, and could not reasonably be approved under the instant Categorical Exemption from CEQA.

F. Vehicular access to the drill site.

Condition No. 9 of the original grant (Case No. ZA 18129) requires that "vehicles making deliveries or pick-ups at the site shall enter the site at one of the Avenues and exit at the other Avenue from or to Pico Boulevard and not utilize the Avenues northerly of the drilling site. Furthermore, that one of the driveways shall pass through the oil drilling building and with all loading and unloading of drilling pipe and other equipment used in the drilling operations conducted within said building."

The applicant requests relief from Condition No.9 to permit the delivery of equipment from Genesee Avenue and/or Spaulding Avenue and exiting the drilling building from the same driveway without passing through the drilling building. The pass-through driveway feature of the drilling building was appropriate in 1966 when it was designed. However, due to changes in the dimensions of drilling rigs and corresponding changes in the length and other dimensions of the trailers used to transport the drilling rigs, some of the truck loads cannot pass through the drilling building. In such cases, the applicant requests the authority to back into the drilling building through either the Genesee Avenue or Spaulding Avenue gate and to exit from the same gate onto the same Avenue and continue southerly onto Pico Boulevard. The applicant currently anticipates the need to utilize this procedure for 10 loads, however, the actual number of loads that will be affected cannot be accurately estimated. Therefore, the applicant requests that the condition be modified to permit said procedure whenever the size of the load requires the procedure.

In light of the above, Condition No. 19-B(4) of this grant modifies original Condition No. 9 to allow drilling related deliveries to be made by entering into the drilling building from either Genesee Avenue or Spaulding Avenue and exiting the building onto the same Avenue and proceeding southerly towards Pico Boulevard when the load cannot pass through the drilling building.

2. With the proposed re-drilling of three existing wells at the subject controlled drill site the applicant intends to resolve downhole problems. More specifically some of the wells are almost dry. Once dry, wells need to be re-drilled at a different <u>sub</u>surface site, the surface location remaining the same. The re-drilling will allow the applicant to tap into another area a few miles below the surface that will yield more oil. Without such re-drilling wells are not fully operational. It is for this purpose that the subject request has been filed seeking terms and conditions controlling drilling and production operations. The additional requests pertaining to the installation of a new sound attenuation wall, clarification of hours of operation for the drilling activities, and modification of some of the vehicular access procedures for the site, basically consist of an updating of the mode of operation of the facility inasmuch as new

material is being developed and utilized over the years. The request for installation of additional equipment outside the drilling building is however denied as detailed above as it constitutes a significant intensification of the use of the site without the benefit of adequate assessment of any possible environmental impact.

3. The re-drilling of the wells is appropriate. It is a normal and necessary function of petroleum operations to re-drill from established drill sites not only to find and extract additional reserves or to correct subsidence problems, but also to correct extraction problems which occur from time to time. The proposed re-drilling will be undertaken one well at a time extending over a period of approximately 90 days.

The installation of the sound attenuation wall, modification of vehicular access for some drilling related deliveries, and clarification of hours of operation, is also appropriate as all should result in an improved operation benefitting from and improved with currently available technology, materials and associated procedures. The proposed improvements further aim at addressing past issues of impacts of the operations on the immediate area.

As detailed above, the same argument cannot be made for the approval of the location of additional equipment outside the drilling building. As such this portion of the request is hereby denied.

- 4. All re-drilling operations will be conducted on the controlled drill site. To maintain reasonable noise levels state of the art drilling equipment and technology will be utilized. The applicant will utilize an electric powered drilling rig, and all re-drilling operations will be conducted within the 135 foot high, acoustically treated drilling structure. The enclosure consists of an acoustically treated, drilling structure. The soundproofing of the structure is composed of foam fiber composite material inserted between two pieces of corrugated sheet metal. The foam fiber composite material ranges between 3/4 to 1-1/2 inches in thickness, depending upon location. The external enclosure of the drill site will be further improved with the construction of the new sound attenuation wall as proposed and approved. New vibration and traffic mitigation measures will be implemented as stipulated in the conditions of approval of this grant in addition to the currently in place Spill Prevention Control and Countermeasures Plan.
- 5. The Packard Drill site has been operated in substantial conformance with previously imposed conditions. The applicant continues to demonstrate responsive control over problems that arise from time to time, as shown by the proposal to install the new sound attenuation wall. Those impacts on adjacent properties that have been identified are being remedied by conditions that are now being imposed on the requested re-drilling project. Placement of additional equipment outside the drilling building is denied at this point without an adequate environmental clearance pursuant to CEQA in order to properly assess and mitigate any possible impact on the surrounding environment.

The applicant is responsible for maintaining control of the drill site and informing the drilling and other contractors of the conditions imposed herein. A separate



- application will be made with the City of Beverly Hills for those oil wells that bottom out within that jurisdiction, if any.
- 6. In a time where dependence on foreign oil comes at an increased social, economical and political cost, this approval, by encouraging and facilitating local oil production, under strict controls as to the possible impacts it may have on the immediate vicinity of the production site, will be of direct benefit to the public as a whole. Upon completion of the re-drilling operation, production activities will be resumed under applicable terms and conditions of this and previous grants.

ADDITIONAL MANDATORY FINDINGS

- 7. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone X, The flood insurance rate zone that correspond to areas outside the 1-percent annual chance floodplain, area of 1-percent annual chance sheet flow flooding where average depths are less than 1-foot, areas of 1-percent annual chance stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 1-percent annual chance flood by levees. No Base Flood elevations or depths are shown within this zone. Insurance purchase is not required in this zone.
- 8. On May 29, 2008, the project was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference ENV 2008-2157-CE, for a Categorical Exemption, Class 5, Category 23, City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 15100. I hereby adopt that action.

ANIK CHARRON

Associate Zoning Administrator

Direct Telephone No. (213) 978-1307

AC:lmc

cc: Councilmember Herb Wesson

Tenth District

Adjoining Property Owners

County Assessor

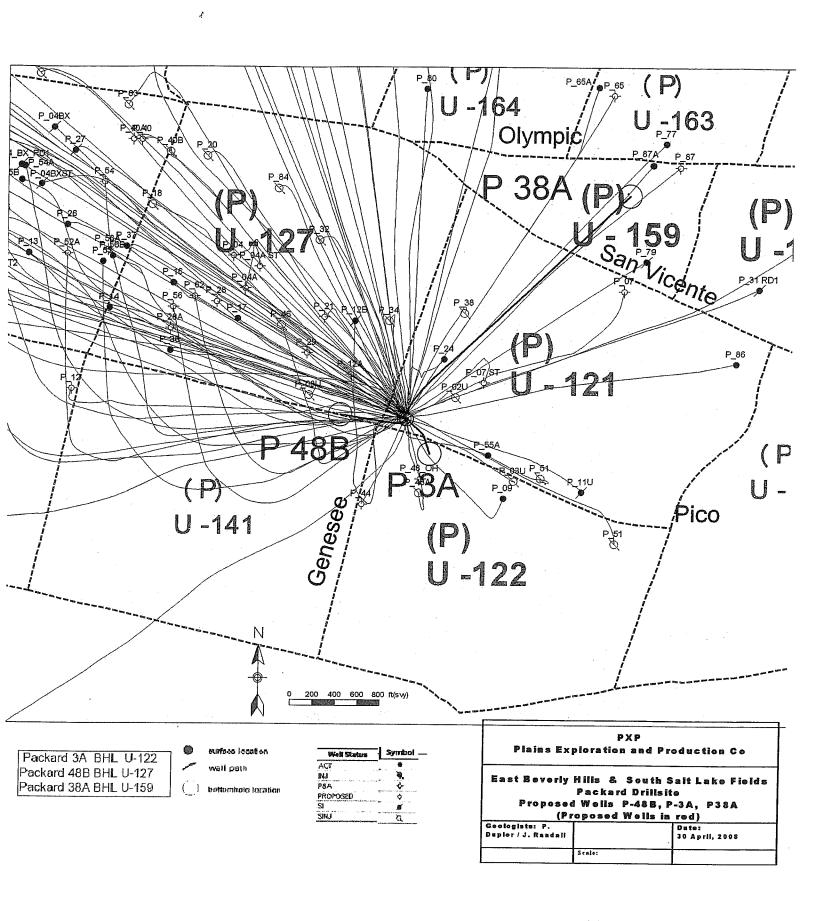


EXHIBIT - A1

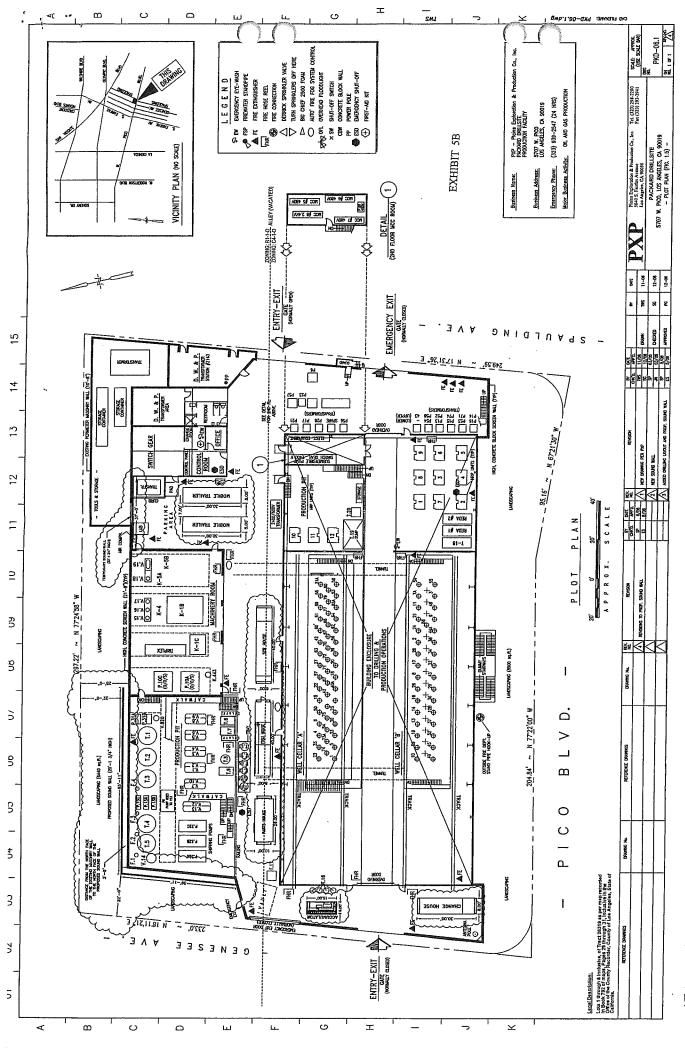
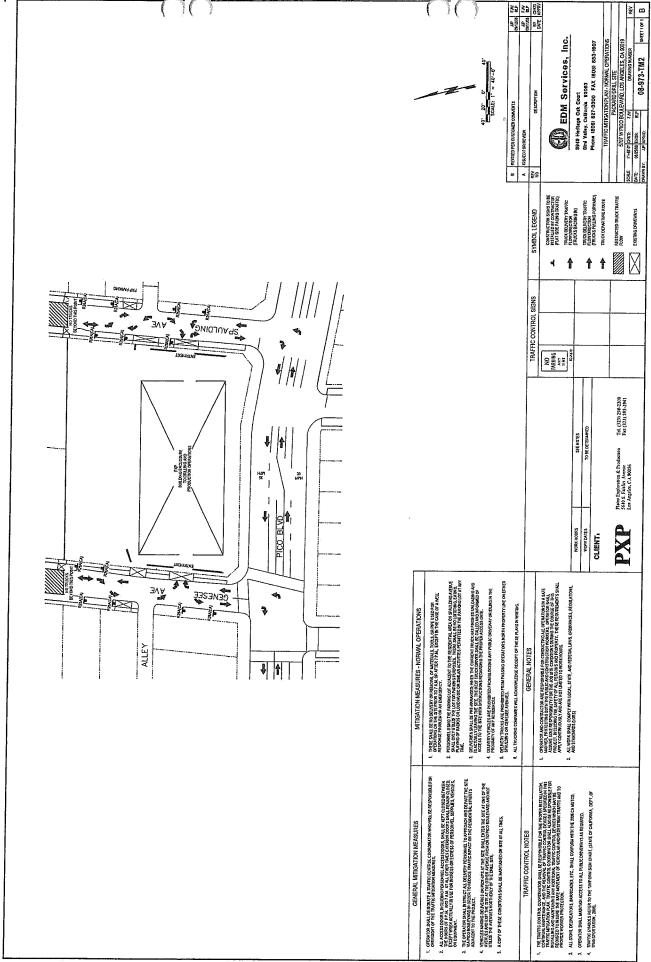


EXHIBIT 'A-2'



EXHIBIT'A-3,

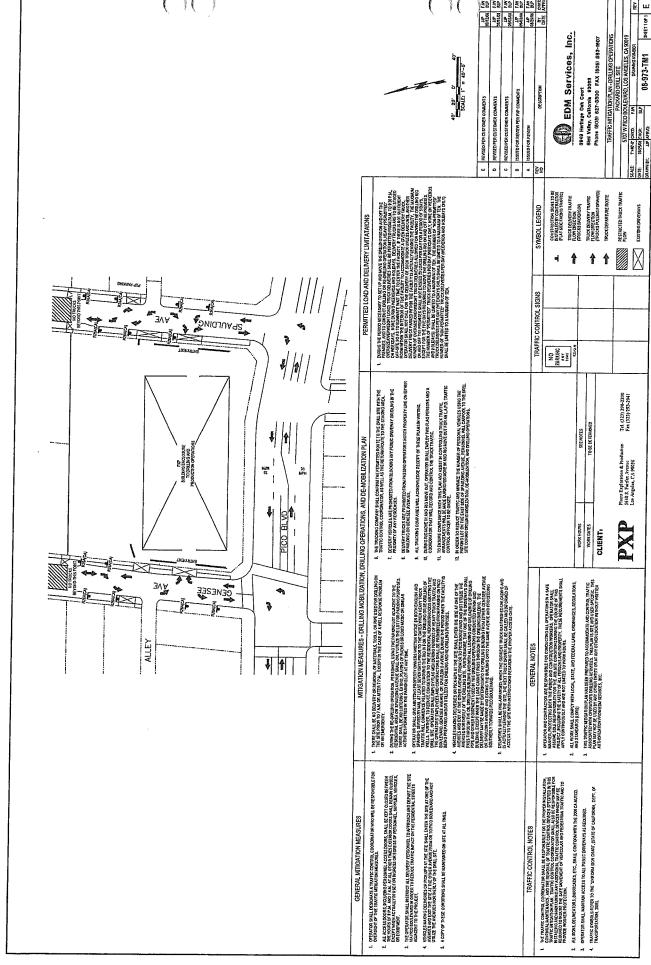


EXHIBIT G

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI



ROBERT JANOVICI
CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS

R. NICOLAS BROWN
ANIK CHARRON
EMILY J. GABEL-LUDDY
DANIEL GREEN
LOURDES GREEN
DAVID KABASHIMA
ALBERT LANDINI
JON PERICA
SARAH RODGERS

(SEIU) 247



DEPARTMENT OF CITY PLANNING

CON HOWE

FRANKLIN P. EBERHARD DEPUTY DIRECTOR

OFFICE OF ZONING ADMINISTRATION

200 N. SPRING STREET, 7[™] FLOOR LOS ANGELES, CA 90012 (213) 978-1318 FAX: (213) 978-1334

November 25, 2002

C.Greg Wagner (A)
Plains Exploration & Production Co.
5640 South Fairfax Avenue
Los Angeles, CA 90056

Department of Building and Safety

CASE NO. ZA 19139(PA)
APPROVAL OF PLANS - NO. 4
100-104 South San Vicente Boulevard
(Beverly Center Shopping Mall Site)
Wilshire Planning Area

Zone : C2-1-0 D. M. : 138B173

C. D. : 5

CEQA: ENV 2001-5489-CE
Fish and Game: Exempt
Legal Description: APN 4334-007
009, part of Rancho La Brea Tract,
Book 1, Pages 289 and 290.

Pursuant to Section 13.01-H of the Los Angeles Municipal Code, I hereby <u>APPROVE</u>:

methods and conditions controlling drilling and production operations for the redrilling of seven Class "A" oil wells identified as S-79A, S-94A, S-93B, S-59A, S-34A, S-20B and S-39D within Urbanized Oil Drilling District Nos. U-6 and U-152 of the San Vicente drill site, upon the following additional terms and conditions:

- 1. The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-1" dated April 24, 1998.
- 2. All terms and conditions specified under extant ZA Case Nos. 19139, 19459 and 19460 shall be strictly complied with, except for any condition of said grants which relate to hours of operation for the work on the site, and which are hereby waived for the period of time necessary to re-drill the subject Class "A" oil wells.
- Drilling operations as described in Condition No. 2 above may be conducted seven days per week on a 24 hour basis, including any nationally recognized holiday.
 Drilling operations shall be completed within one year from the effective date of this determination.
- The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to



impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent that you advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"If any portion of a privilege authorized by a variance or conditional use is utilized, the conditions of the variance or conditional use authorization immediately become effective and must be strictly complied with. The violation of any valid condition imposed by the Administrator, Board or Commission in connection with the granting of any variance, approval of a conditional use or other action pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after DECEMBER 10, 2002, 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 www.lacity.org/pln.
Public offices are located at:

Figueroa Plaza 201 North Figueroa Street, #300 Los Angeles, CA 90012 (213) 977-6083 6251 Van Nuys Boulevard First Floor Van Nuys, CA 91401 (818) 756-8596 The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedure Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

NOTICE

The applicant is further advised that all subsequent contact with this Office regarding this determination must be with the Zoning Administrator who acted on the case. 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 a thorough consideration of the statements contained in the application for a Plan Approval, all of which are by reference made a part hereof, as well as knowledge of the property and the surrounding district, I find as follows:

1. The subject site, known as the San Vicente Drill Site, is located on a level, irregularly-shaped parcel of land in an area bounded by South San Vicente Boulevard to the west, Beverly Boulevard to the north, La Cienega Boulevard to the east and Third Street to the south. The subject controlled drill site is located on a 1.47 acre portion site which is approximately 500 feet distant from the nearest residential uses. The drilling operations will take place within a designated portion of the larger site known as the Beverly Center Shopping Mall. The Mall and the San Vicente Drill Site are classified as being in the C2-1-O Zone. Said drill sites are located within Urbanized Oil Drilling District Nos. 6 and 152 as established by Ordinance Nos. 108,609 and 133,909.

A review of the past record and information attached to the file indicates that oil drilling and oil production have occurred on the site since 1958 in accordance with the terms and conditions of ZA Case No. 19139 and subsequent cases which have also regulated oil production on the property. Over time, various Plan Approvals have been submitted and approved for a variety of oil related activities on the site. The last such submittal was approved by the Zoning Administrator on August 23, 2002 to permit the re-drilling of one class "A" oil well.

According to the current application, the proposed re-drilling of the seven wells will take place from and through Urbanized Oil Drilling District No. U-6 as established under Ordinance No. 108,609 and Urbanized Oil Drilling District No U-152 as established under Ordinance No. 133,909. Three of the wells will be re-drilled from the City of Los Angeles and travel into and be bottomed under the City of Beverly Hills. At the time of filing this application, the applicant was in the process of applying for the appropriate permits to drill and produce the wells within the City of

Beverly Hills. The remainder of the wells will bottom hole under the City of Los Angeles.

To maintain reasonable noise levels during evening and morning hours, an electric drilling rig with soundproofing will be utilized in all drilling operations. The applicant also intends to employ state of the art drilling technology in order to minimize trip time (to run pipe into and out of the wells), typically the noisiest part of a drilling operation. The drilling rig will also be equipped with a diesel powered generator in case of power outage.

- 2. The applicant intends to commence the re-drilling of seven Class A idle wells at the San Vicente Drill Site. The stated purpose of the re-drilling is to remedy down hole problems that have developed with the wells. More specifically, as explained by the applicant, the wells are almost dry. Once they are dry, the applicant plans to immediately begin re-drilling the wells at different subsurface sites, the surface location remaining the same. The re-drilling will allow the applicant to tap into other areas a few miles below the surface that will yield more oil. Without such re-drilling the wells are not fully operational. It is for this purpose that the subject request has been filed seeking terms and conditions controlling drilling and production operations.
- 3. The requested re-drilling of the involved wells is appropriate. Except for the issue of noise being generated by the site, there is no evidence that the San Vicente Drill Site has not operated in conformance with all conditions imposed in previous grants. The approval of this request will not result in any negative impact on the City or surrounding properties. The applicant has been drilling on the site since the late 1950's in accordance with numerous prior Zoning Administrator approvals. The proposed re-drilling will be conducted in compliance with those approvals and any Methods and Conditions which may be applicable, including those placed on the applicant by this letter. It is a normal and necessary function of petroleum operations to re-drill from established drill sites not only to find and extract additional oil reserves or to correct subsidence problems, but to correct extraction problems which may occur from time to time.
- 4. The proposed re-drill program will require approximately 40 days per well to complete, working 24 hours per day and seven days per week. All re-drilling operations will be conducted on the controlled drill site. To maintain reasonable noise levels, sound proofed state of the art electric drilling equipment and technology will be utilized. The applicant will employ the use of a conventional electric-powered drilling rig to complete work and all operations. In addition, the applicant will attempt to minimize the amount of time spent running pipe into and out of the well (Tripping). As tripping is usually the noisiest part of the re-drilling operation, this will reduce the amount of noise generated by the proposed operation.
- 5. The re-drilling of the involved wells is appropriate. There is no evidence that the San Vicente Drill Site has not been operated in conformance with all conditions imposed upon previous grants. It is a normal and necessary function of petroleum

operations to re-drill from established drill sites, not only to find and extract additional reserves or to correct subsidence problems, but also to correct down-hole problems which may occur from time to time. Upon completion of the re-drilling operations, production activities will be resumed under the terms and conditions of previous grants. In a time where dependence on foreign oil comes at a higher and higher social, economical and political cost, this approval, by encouraging and facilitating local oil production, under strict controls as to the possible impacts it may have on the immediate vicinity of the production site, will be of direct benefit to the public as a whole.

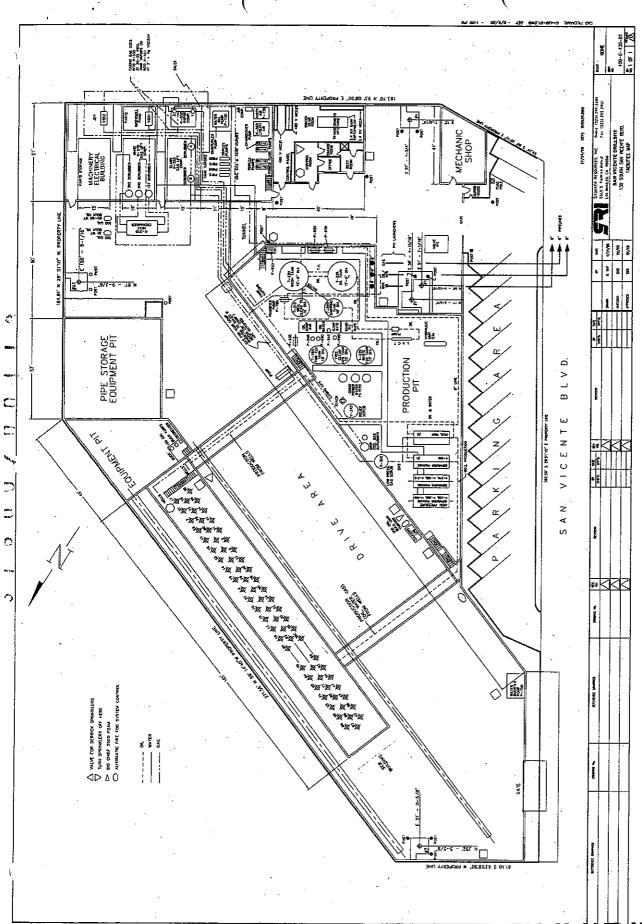
ANIK CHARRON

Associate Zoning Administrator

Direct Telephone No. (213) 978-1307

AC:Imc

cc: Councilmember Jack Weiss
Fifth District
County Assessor
Department of Water and Power
Fire Department, Bureau of Fire
Prevention and Public Safety
Office of Administration & Research Services
STOP 130



ุทัพยาเอาอริยาจากหลังของ อาราบาทอง บุพอก อาวัดอยัย อวิยาจากบาท พาติพกุ พริธาฮอยาล nic do

EXHIBIT "A"

September 30, 2002

Ms. Anik Charron Associate Zoning Administrator Department of City Planning Office of Zoning Administration Los Angeles, CA 90012-2601

Court No. 27, 19739

Re:

Request For Methods and Conditions Governing the Redrilling of Oil Wells S-79A, S-39D, S-94A, S-20B, S-93B, S-59A, S-34A San Vicente Drillsite, 100-104 South San Vicente Blvd.

Dear Ms. Charron:

Plains Exploration and Production Company, formerly Stocker Resources, respectfully requests permission to use the referenced controlled drillsite (being described as APN 4334-007-009, being part of the Rancho La Brea Tract, as per map recorded in Book 1, Pages 289 and 290 in the records of Los Angeles County) for redrilling of seven Class A oil wells listed above.

Attached for your convenience is a plat indicating the proposed location of the drilling rig and associated equipment, along with the well corridors, as they pass through the city.

The San Vicente drillsite is situated on a level, irregularly-shaped parcel of land located on the northeast side of San Vicente Boulevard between Beverly Boulevard and West Third Street. Drilling Operations will take place within a designated 1.5 acre site within a larger site known as the Beverly Center Shopping Mall. The Beverly Center Shopping Mall and San Vicente Controlled drillsite are classified in the C2-1-O Zone with said drillsite located in the Urbanized Oil Drilling District No. 6 as Established by Ordinance No. 108,609.

The wells will be drilled from Urbanized Oil Drilling District No. 6 as Established under Ordinance No. 108,609 and Urbanized Oil Drilling District No 152 as established under Ordinance No. 133,909. Three of the wells will bottom hole within the city limits of Beverly Hills.

3120070017

Plains Exploration is in the process of applying for the appropriate permits to drill and produce the wells with the City of Beverly Hills.

We have also included in the application package Plains Exploration & Production Company's (Stocker's) Spill Prevention Control and Countermeasures (SPCC) Plan, which was amended in November of 2000 and was included in Stocker's last drilling program. We hope that this may serve to answer any questions you may have in these areas. This plan remains in effect.

Furthermore, if there are any other materials you need in order to better evaluate this application, please feel free to let us know and we will do our best to provide them.

The proposed redrill will require approximately 40 days per well to complete. All operations at the controlled drillsite are to be conducted 24 hours a day, seven days a week. To maintain reasonable noise levels during the evening and morning hours, an electric rig with soundproofing will be utilized. In addition, state-of-the-art drilling technology will be employed to minimize trip time (time spent running pipe in and out of the well). Tripping pipe is typically the noisiest part of a drilling operation.

We would like to begin drilling at the earliest possible date. Should you have any questions on this matter please feel free to call me at (310) 379-8638 or Plain's Land Manager, Bryan Stanek (323) 298-2208. Thank you in advance for your cooperation in this matter.

Sincerely,

Keith T. Mathis

Contract Landman

EXHIBIT H

IN SUPPORT OF E&B'S SEPTEMBER 5, 2023 SUBMISSION FOR APPEAL OF ZA-2022-8997-ZAI

COMMISSIONERS

LEROY CHASE HERMAN LEAVITT EDITH R. PEREZ DEAN D. PREGERSON STEVEN L. SOBOROFF

CITY OF LOS ANGELES



RICHARD J. RIORDAN MAYOR

August 12, 1994

DEPARTMENT OF RECREATION AND PARKS 200 NO. MAIN ST. 13TH FLOOR

LOS ANGELES, CALIF. 90012 (213) 485-5508 FAX - (213) 628-8964

> JACKIE TATUM GENERAL MANAGER

Mr. Morris Hodges, President Hillcrest Beverly Oil Company 14711 Bentley Circle, Suite B Tustin, CA 92680

Gentlemen:

Enclosed is the 35-year extension of Lease Agreements No. 94A and 110, executed on June 1, 1994, between the City of Los Angeles, by and through its Board of Recreation and Park Commissioners, and your firm for the continuation of oil and natural gas extraction and production operations at the Rancho Park drill site.

Very truly yours,

BOARD OF RECREATION AND PARK COMMISSIONERS

JOAN A. THOMAS Secretary

Enclosure

cc: City Controller

City Attorney Mr. Catania Mr. Klippel

Mr. Gonzalez

RANCHO PARK OIL AND GAS LEASE EXTENSION

This lease extension dated as of ________, 1994 by and between the City of Los Angeles, a municipal corporation, acting through the Board of Recreation and Park Commissioners, hereinafter referred to as "Lessor" and Hillcrest Beverly Oil Corporation, a California corporation, hereinafter referred to as "Lessee";

Whereas, Lessee is the successor in interest to the Atlantic Refining Company and Signal Oil and Gas Company in and to an Oil and Gas Lease (No. 94A) dated May 29, 1957 for the extraction of oil and gas from the Rancho Park and Playground, as supplemented, and in and to a Lease and Agreement (No. 110) dated December 15, 1960 for the use of a portion of the park as an oil and gas production drill site, where the City of Los Angeles is Lessor in both leases, hereinafter "the Leases";

Whereas, Lessee is presently conducting oil and gas producing operations pursuant to the terms and conditions of the Leases, and;

Whereas, both of the Leases expired by their terms on May 28, 1992; and,

Whereas, Lessor and Lessee desire to extend the expiration dates of the Leases on the terms and conditions set forth herein, and;

Whereas, the public safety requires the proper abandonment and site restoration of non-productive oil well sites:

Now, therefore, for and in consideration of the mutual promises, covenants and other valuable consideration, the adequacy and receipt of which are hereby acknowledged, Lessor and Lessee hereby agree as follows:

- 1. The Leases shall each be extended for a period of 35 years, to expire on May 28, 2027.
- Lessor shall establish a Rancho Park Restoration/ Abandonment Fund 2. (hereinafter the "Fund") which will accept cash payments from Lessee to be deposited into the Fund, as described below, and earn interest on the principal balance. The money in said Fund shall be used by the Lessor to fully restore the leased premises if the Lessee fails to restore the premises at the termination of the Leases, for any reason. The Fund money shall be returned to Lessee if the restoration work is satisfactorily completed by Lessee in accordance with the terms of the Leases. The Rancho Park Restoration/Abandonment Fund shall be an interest bearing account and shall be administered by Lessor in trust. Lessee shall, upon execution of this Lease Extension agreement, provide \$50,000 cash to Lessor to be deposited into the fund; on the first anniversary date of the execution of this Lease Extension and each anniversary date thereafter, Lessee shall provide Lessor with an additional \$50,000 payment in cash until Lessee has provided Lessor with a total of \$500,000 cash. Provided however, that Lessor shall review the Fund balance and the current estimated costs of well

abandonment and restoration work every five years from the date of execution of this Lease Extension to determine the adequacy of the amount deposited to accomplish said work. Should it be determined by Lessor at any time that the Fund balance (principle and accrued interest) is insufficient to accomplish said work and to fully restore the premises, Lessee agrees to make annual payments to Lessor over the succeeding five years in an amount determined by Lessor to be sufficient to bring the Fund balance up to the revised estimated restoration costs at the conclusion of that five year period. All of the above described payments are in addition to any and all payments required by the Leases or included in this Extension Agreement. Failure to perform or complete any of the above, including payment of any increased deposits to the Fund, shall constitute a material breach of the leases and this lease extension.

- thereof, Lessee shall immediately abandon any and all then remaining oil wells and perform all necessary clean-up and site restoration work of the leased premises totally at its own cost. Should Lessee fail to so abandon any well or restore the leased premises, Lessor shall be entitled to undertake and complete the oil well abandonment, clean-up and restoration activities and be authorized to use the available balance in the Fund to pay for said activities including City expenditures for salaries, expenses, contract services, overhead, inspection and other similar costs. Lessee shall remain liable for any costs which exceed the Fund balance. Lessee shall be entitled to any remaining balance after abandonment, restoration, and clean-up is completed by Lessor.
- 4. The Rancho Park Restoration/Abandonment Fund is for the benefit of Lessor to assure the costs of oil well abandonment, site restoration and clean-up. Should Lessee provide, and Lessor agree, that an equal or better arrangement for providing abandonment and clean-up assurances is available, Lessee may request that this extension be amended to terminate the trust fund arrangement and return the then balance of the account to Lessee.
- 5. Lessee shall obtain, at its own cost, a Phase I and Phase II environmental assessment of the drill and production site area of the leased premises from a reputable and experienced independent environmental consulting firm. The results of said assessment shall be made available to Lessor. The assessment shall begin immediately after execution of this Lease Extension and shall be completed within six (6) months.
- 6. There are presently six (6) idle wells located on Lessor's property being used by Lessee. Lessee shall undertake necessary engineering studies to determine which, if any, of the six idle wells may be useful in future redrilling or exploration activities. Any wells deemed unuseful for such purposes will be abandoned within one (1) year from the date of execution of this Lease Extension. Lessor shall be advised of Lessee's efforts in this regard and be entitled to review the results of Lessee's studies.

- 7. Should oil prices received by Lessee exceed \$25.00 per barrel on an annualized average, the royalty rate received by the Lessor shall increase from 20.0% to 22.5%.
- Upon execution of this Lease extension, Lessee shall make a one time donation of \$50,000 to Lessor to be specifically used toward improving Rancho Park and Cheviot Hills Park and Recreation Center facilities as determined by Lessor.
- 9. The following Sections of Lease 94A are hereby amended as noted and are also applicable to those respective sections of Lease 110:

SECTION 19 - TAXES

POSSESSORY INTEREST TAXES

Any and all taxes which may be assessed by reason of this Lease Agreement, or LESSEE'S possession and use of the leased property, shall be the exclusive responsibility of LESSEE and not of the DEPARTMENT.

No interest in real property is hereby conveyed; however, by the execution of this Lease Agreement and any extensions thereof, and accepting the benefits thereof, a property interest known as "Possessory Interest" may be created and such property interest may be subject to property taxation. LESSEE, as the party to whom the possessory interest is vested, may be subject to the payment of property taxes levied on such interest.

If LESSEE is eligible for exemption from property taxation, it should include such possessory interest in its claim thereof.

SECTION 20 - INDEMNITY

INDEMNIFICATION

Except for the active negligence or willful misconduct of the City of Los Angeles (CITY), LESSEE undertakes and agrees to defend, indemnify and hold harmless CITY and any and all of CITY'S boards, officers, agents, employees, assigns, and successors in interest from and against all suits and causes of action, claims, losses, demands and expenses, including, but not limited to attorney's fees and cost of litigation, damage or liability of any nature whatsoever, for death or injury to any person, including LESSEE'S employees and agents, or damage to or destruction of any property of either party hereto or of third parties, that may arise out of or in connection with this Lease Agreement or the use of the Premises by LESSEE, its contractors, subcontractors of any tier, employees, licensees, or invitees.

SECTION 37 - INSURANCE

INSURANCE

A. <u>Insurance</u> - LESSEE, at its own cost and expense, shall, prior to any possession or other use of the Premises, secure from an insurance company or companies licensed in the State of

California, insurance and furnish CITY with evidence of such insurance from insurers acceptable to CITY and in a form acceptable to the Los Angeles City Attorney for the following coverages and minimum limits of insurance (as summarized on Exhibit "A"), and shall maintain said insurance during the entire Term of this Lease Agreement, and any extension thereof for the Premises.

- General Liability Insurance During the term of this (1)Lease Agreement, LESSEE shall maintain general liability insurance in an amount not less than Five Million Dollars (\$5,000,000) Combined Single Limit, per occurrence. Evidence of such insurance shall be on the City's General Liability Special Endorsement form or other acceptable to the City Attorney, and should provide coverage for premises and operations, underground and products and completed hazard, collapse operations, contractual and independent liability, contractors.
- (2) <u>Automobile Liability Insurance</u> During the term of this Lease Agreement, at such time any motor vehicles are used as part of the operation of any programs at the Premises, LESSEE shall maintain automobile liability insurance in an amount not less than One Million Dollars (\$1,000,000) Combined Single Limit per occurrence.
- Workers' Compensation By signing this Lease Agreement, (3) LESSEE hereby certifies that it is aware of the provisions of sections 3700 et. seq. of the California Labor Code which require every employer to be insured against liability for Workers' Compensation or to self-insurance in accordance undertake provisions of that Code, and that it will comply with such provisions at all such times as they may apply during the term of this Lease Agreement. LESSEE shall also maintain employer's liability insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000) in connection with Workers' Compensation Insurance, and shall provide a waiver of subrogation in favor of the City of Los Angeles.
- (4) Adjustment of Insurance Levels CITY reserves the right at any time during the term of this Lease Agreement, applying generally accepted Risk Management principles, to change the amounts and types of insurance required hereunder by giving LESSEE ninety (90) days written notice.
- B. <u>Additional Insureds</u> LESSEE shall include the CITY and its boards, officers, agents and employees as additional insureds in all liability insurance required herein.
- C. <u>Notice of Change In Insurance</u> All insurance policies required under this Lease Agreement shall expressly provide that such insurance shall not be canceled or materially reduced in coverage or limits except after thirty (30) days

written notice by receipted delivery has been given to City Attorney, Bonds and Insurance Section, Room 1650 City Hall East, 200 North Main Street, Los Angeles, California 90012.

- D. <u>Default</u> If insurance is canceled, lapsed, or reduced below minimums required in this Article, the CITY at its sole option may consider this Lease Agreement to be in default and may suspend or terminate it. Termination shall occur at the expiration of a three (3) day notice given in accordance with the provisions of the Code of Civil Procedure section 1162. At the termination of three (3) days or sooner, LESSEE shall vacate the Premises and LESSEE shall have no right to possess or control the Premises or the operations conducted therein. If LESSEE does not vacate, CITY may utilize any and all court proceedings to obtain a right of possession.
- 10. Except for the amendments and modifications set forth herein, the Leases, which are incorporated herein by this reference, shall remain subject to their respective terms and conditions as currently set out therein or as hereinafter amended by the parties.

THE CITY OF LOS ANGELES ACTING BY AND THROUGH ITS BOARD OF RECREATION AND

PARK COMMISSIONERS

Via President

Secretary

Hillcrest Beverly Oil Corporation, a California corporation - Lessee

Morris V. Hodges, Pres.

Secretary

APPROVED AS TO FORM:

JAMES K. HAHN, City Attorney

Managing Assistant City Attorney

Date: ________

HBOC-LS3.EXT

Rev. 11/4/93-HBS

State ofCALIFORNIA	±		
County of ORANGE	*		
On May 16, 1994 before me, HEI	NAME, TITLE OF OFFICER - E.G., JANE DOE, NOTART FOOLIG		
personally appeared MORRIS V. HODGES and KATHRYN M. HODGES NAME(S) OF SIGNER(S)			
personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument. OFFICIAL NOTARY SEAL HEIDI M. ESTRADA Notary Public — California ORANGE COUNTY WORMM. Expires DEC 12,1994 WITNESS my hand and official seal.			
SIGNATURE OF NOTARY			
OPTIONAL —			
Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.			
CAPACITY CLAIMED BY SIGNER	DESCRIPTION OF ATTACHED DOCUMENT		
INDIVIDUAL	Rancho Park Oil and		
X CORPORATE OFFICER President and Secretary	Gas Lease Extension TITLE OR TYPE OF DOCUMENT		
TITLE(S)	THE OR THE OF BOOMENT		
PARTNER(S)	5 pages		
GENERAL ATTORNEY-IN-FACT	NUMBER OF PAGES		
TRUSTEE(S)			
GUARDIAN/CONSERVATOR OTHER:	May 28, 1994		
8	DATE OF DOCUMENT		
OLONED IS DEDDESCRITING.			
SIGNER IS REPRESENTING: NAME OF PERSON(S) OR ENTITY(IES) THE 1 I GROUP ROLL PROVIDED AND ADDRESS OF I			
President and Secretary TITLE(S) PARTNER(S) PARTNER(S) GENERAL ATTORNEY-IN-FACT TRUSTEE(S) GUARDIAN/CONSERVATOR OTHER: SIGNER IS REPRESENTING: NAME OF PERSON(S) OR ENTITY(IES) Hillcrest Beverly Oil Corporation, a California corporation — Lessee	SIGNER(S) OTHER THAN NAMED ABOVE		
corporation - Lessee			

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Oil & Gas Lease with City of Los Angeles, Contains Drillsite Agreement (5-29-57)

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RECURDED IN OFFICIAL RECORDS OF LOS ANGELES COUNTY, CALIF

2 PM. JAN 28 1958

OIL AND GAS LEASE - 914

THE STOCKETS

5/29 57

HAT E LEE, COUNTY RECORDER (THIS OFF. AND GAS LEASE do ted as of this 29

day of 19 57, by and between

THE CITYAL LOS ANGELES, a municipal corporation,
Signal Oil and Gas Company, a Delaware Corporation, and tion and Righfield Oil Corporation, a Delaware Corporation, as LESSEE,

WITNESSETH:

RECITALS

THAT WHEREAS, Lessor is the owner of certain lands in the City of Los Angeles, County of Los Angeles, State of Culifornia, more particularly described as Parcel 3, and commonly known as Rancho Park and Playground, and is willing that said premises be drilled for oil, provided that such drilling is done from such points and in such manner that it does not materially interfere with the use of the property for park, playground and recreation purposes;

NOW THEREFORE, in consideration of the premises and of the covenants and agreements hereinafter contained to be kept and performed by the Lessee herein, and for other considerations not recited herein, IT IS HEREBY AGREED AS FOLLOWS:

DESCRIPTION OF PROPERTY LEASED

l. That Lessor does hereby lease, let and demise unto Lessee all of its right, title and interest in Parcel 1 and Parcel 2 of the premises described as Parcel 3, all situated and being in the City of Los Angeles, County of Los Angeles and State of California, and all more particularly described as follows, to wit:

RECORDING REQUESTED BY

TITLE INSURANCE & TRUST COMPANY

Any one (1) acre of the surface of the land described as Parcel 3, which said acre may be designated by Lessor in writing at the time of the execution by Lessor of this Lease, together with such other additional surface of said land not exceeding three (3) acres in size, located on the playground area of Parcel 3, as may be designated in writing by the Board of Recreation and Park Commissioners of Lessor, if such Board, in its discretion, deems that the use of such additional surface area will not substantially interfere with the use of said land either as a park or playground.

PARCEL II:

The subsurface only of Parcel 3.

PARCEL III:

Lot "C" and a portion of Lat "B" of the Rancho Rincon de Los Bueyes, in the City of Los Angeles, as per map showing the subdivision of the property of Jose de Arnaz, recorded in Book 37, Pages 53 and 54 of Miscellaneous Records in the office of the County Recorder of said County, described as a whole as follows: Beginning at the Northeast corner of said Lot "C"; thence long the Northerly line of said Lot "C", Jonth 54° West 1,78.38 feet to the Morthwest corner of said tot "C"; thence along the Northerly line of said Lot "B"; South 540 West 1421.62 feet; thence parallel with the Westerly line of said Lot "B"; South 350 46! East 2643 feet to the Southerly line of said Lot "B"; thence along said Southerly

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line North 56° East 1422.60 feet to the Southeest corner of said Lot "B"; thence along Southerly line of said Lot "C"; North 56° East 1679.80 feet to the Southeast corner of said Lot "C"; thence along the Easterly line of said Lot "C"; North 35° 481 West 2709.86 feet to the point of buginning.

EXCEPTING from said Lot "C" the Easterly 60 feet thereof;

with the sole and exclusive right to Lassee and for the purpose of drilling for, producing, extracting and removing from Parcel II oil, gas, asphaltum and other hydrocarbon substances by means of slant wells drilled from Parcel 1. Said drilling shall be done, and oil wells so drilled shall be operated and maintained only in the manner hereinafter specified; reserving and excepting unto Lessor, however, all of the surface of Parcel 3, except those areas thereof described in Parcel 1.

Lessor reserves the right to drill slant wells from any other locations on Parcel 3 to produce oil and gas from adjoining lands by means of slant wells drilled into such adjoining lands.

METHOD OF OPERATION

2. The oil, ges and other hydrocarbon substances underlying Parcel 3 shall be extracted by means of wells, the drilling sites of which are to be located, and all service operations with respect to which are to be conducted, on Parcel 1; provided, however, that no oil tanks shall be located on Parcel 1 except for the storage and cleaning of oil removed from Parcel 2; and it is further agreed that Lessee may not construct a gasoline extraction plant of any nature or des-

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cription on the premises herein demised. Under no circumstances shall surface locations be conducted or material or equipment installed or maintained on any part of Parcel 3, except as permitted on Parcel 1. All structures eracted by Lossee upon the surface of Parcel 1 and all operations conducted thereon or therefrom, shall be in conformity of all laws, rules and regulations of duly authorized governmental authorities.

ACCESS ROADS

3. Lessee shall have access to Parcel 1 by meens of such ways as Lessor shall from time to time designate; Lessor hereby reserves the right to change the location of said ways from time to time and to use said ways or any part thereof for its own purposes in common with Lessee, if Lessor so desires.

PIPE LINES 1. Lessee agrees that all pipe lines and AND TELEPHONE LINES telephone lines shall be located at such places on Parcel 3 to reach the public streets as Lessor may from time to time designate, and it is agreed that Lessor may from time to time change the location of said lines.

TERM

5. This lease shall remain in effect for the term of thirty-five (35) years from the date of execution by Lessor, subject to sooner termination in accordance with the terms and conditions of this lease.

RESERVATIONS 6. Lessor reserves the right to use the AND LESGELUS
FUSESSORY demised premises for any and all other purposes FIGHTS

except those for which this lease is granted, but subject to the rights granted the Lessee herein.

The possession by Lessee of said premises

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and mineral and development rights shall be solely and exclusively for oil development purposes, subject to the limitations and reservations above stated and excepting as to easements granted of record and permits or leases granted for pipe lines, overhead and underground crossings for telephone, telegraph or electric transmission lines and the use now made or to be made of said premises by Lessor.

NO WARRANTY Notwithstanding anything herein contained OF TITLE to the contrary, Lessor does not warrant its title to any part of the demised premises nor the mineral rights therein, and Lessor reserves the right either to defend or not to defend its title thereto, and to determine the extent of defense which each will make relative to its title. All rights of Lessee hereunder are subject to all encumbrances, restrictions, easements and rights of way of record.

ZONING AND 7. Unless Parcel 3 has previously been DELAY RENTALS zoned to permit drilling for oil, within ninety (90) days after the execution of this lease Lessee agrees to file an application with the Department of Planning of the City of Los Angeles for a change of zone so as to permit the use of the demised premises for drilling of oil, and Lessee agrees to commence the actual drilling of an oil well within ninety (90) days after said promises have been zoned for such purpose; provided, however, that in the avont that Lessee shall not have commenced the actual drilling of an oil well at the expiration of said ninety (90) day period after zoning is permitted, Lessee agrees to pay to Lessor in lieu of such drilling, rental in

the following amounts:

,100 per day for the first 90 days of said delayed period;
\$150 per day during the next succeeding 90 days of said delayed period;
\$200 per day thoreafter until drilling of said well actually commences;

provided, however, that Lessee shall commence the actual drilling of an oil well on the demised June premises on or before January 1, 1958, or this lease, and all of Lessee's rights hereunder shall terminate and end.

Said rontal shall be in addition to and not a part of royalties hereinsfter provided to be paid by Lessee to Lessor in paragraph 14 of this lesse; provided further, that whonever the Lessee shall be engaged in the drilling of a well, the obligation to pay rental during such drilling shall cease.

SURRENDER 8. Notwithstanding anything to the contrary OR QUITCLAIM contained herein, it is understood and agreed that Lossec may from time to time quitclaim all of the demised premises and surrender the same to Lessor, in which event all succeeding delayed rentals shall cease and all the obligations of Lessec hereunder shall end.

OCCURRENCEMENT 9. Except as hereinabove provided, Lessee OF CFERATIONS agrees to drill wells on the demised premises on or before June 1, 1958, or within sixty (60) days after a well producing oil, gas or other hydrocarbon substances shall be completed within seven hundred (700) feet of the outer boundaries

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of Parcel 3, whichever shall be sooner, and subject to its right to surrender this lease, to continue the work of drilling such well after commencing the same with due diligence until a drilling depth of mina thousand (9000) feet has been reached. unless oil is discovered in paying quantities at a lesser depth, or unless such formations are encountered at a lesser depth as will indicate to the geologist of Lessee that further drilling will be unsuccessful. If, by reason of encountering mechanical difficulties in the prosecution of the work, or by reason of encountering said formations, or other causes, Lessee shall determine to abandon the same, this lease shall continue in full force, provided a new well, followed by diligent drilling operations, is commenced within sixty (60) days.

SPACING OF OIL WELLS

Within sixty (60) days after the completion, suspension of drilling or abandonment of the first well drilled hereunder, Lessee shall commence the drilling of a second well by spudding in, and thereafter shall continue drilling wells on, or beneath or within said land, diligently and continuously, with an interval of not to exceed sixty (60) days between the completion or abandonment of one well and the spudding in of the next, until there have been drilled on said land as many wells as shall equal the quotient obtained by dividing by five (5) the number of acres in Farcel 2 then subject to this legse.

Said requirement of five acres per well shall apply to wells having a drilled depth of less than six thousand (6000') feet. On wells having

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a depth tetween mix thousand (60001) feet and ten thousand (10,000) feet, Lessee shall drill on sold lands as many wells as shall be obtained by dividing by ten (10) the number of acres then subject to this lease. For wells having a depth of over ten thousand (10,0001) feet, Lessee small drill on said lund as many wells as will equal the quotient obtained by dividing by fifteen (15) the number of acres then subject to this lease. Provided, however, that if, in an established and generally recognized productive area outside of the leased land but contiguous therete and within one thousand (1000') feet therefrom, there are more productive wells than the average on a corresponding part of the leased land of Parcel 2, the number of wells to be drillod on the leased land in a corresponding offsetting area of like size shall be increased to the number required to attain the same average well density as that in the said outside offsetting area. If the wells in such outside area produce from more than one zone, Lessec shall maintain a well density for each zone in the offsetting area at least equal to that maintained for such zone in suid outside area. The drilling of all such wells shall be accomplished by vertical or slant drilling from the drill site hereinbefore described. For the purposes hereof, a Zone is defined as a sand or series of sands of sufficient thickness and productivity to form an economic source of supply of oil and gas, and which is to regated from other sames or series of sands by natural boundaries or barriers to such an extent as to make its separate development either

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economically or mechanically desirable in accordunce with common practice.

OFFSIT

Whenever and as often as any well is being produced on adjoining land which produces each day for thirty (30) consecutive days at least fifty (50) barrels of oil from a depth of 6,000 feet or less, at least seventy-five (75) barrels of oil from a depth of 10,000 feet or less, or at least one hundred (100) barrels of oil from a depth of over 10,000 feet, at a distance of 330 feet or less from a boundary of the leased land, Lessee shall drill a well to offset the same, and in such event, will commence such drilling by spudding in within sixty (60) days after it is known that the outside well has met the said conditions, and will thereafter diligently and continuously prosecute the drilling of said well, Such offset well shall be at no greater distance from the common boundary than is the outside well and shall be no more than one hundred (100) feet from a line from the outside well to the nearest point in the boundary and extended into the leased land, such distance to be measured at the level of the producing zone of such outside well, and all drilling to be from and within the drill site hereinbefore described. Such offset well or wells shall be drilled to the depth necessary to test the sand or sands being produced from the outside well. The foregoing location requirements have reference to the horizons from which production is obtained, and not to surface locations; provided, however, that when the subsurface location of an outside

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well is not ascer sinable, it shall be presumed to be in a vertical line with the surface location. The loregoin, provisions of this paragraph are, however, subject to the following conditions and exceptions:

REDRILLING IN LIEU OF OFFSET

- (E) In lieu of the drilling of an offset well, Lesse, at its option, may deepen, redrill or otherwise recomplete a well previously drilled in such manner as to test the said sand or sands at a location conforming to the above requirements. In such event, the operations in such well for such purpose shall be commenced not later than the date provided for the spudding in of the offset well.
- (b) Any well which is being drilled, at the time the obligation to drill such offset well arises may be so completed as to meet the foregoing subsurface location requirements, and if so completed shall be considered as the offset well so required to be drilled.
- RELIEF FROM (c) If the horizon from which the outside OFFSET REQUIREMENT well is producing had previously been tested by Lessee at a location which meets the foregoing requirements for the subsurface location of an offset well, said offset well need not be drilled.
 - (d) Lessee, at its option, may be relieved of the obligation to drill any offset well by quitelaining and surrendering to Lessors all rights in and to the horizon from which such outside well is producing, including a ten (10) acre parcel of land which lies within the area in which an offset well would satisfy the above

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conditions, and in such event Lessor or its assigns may drill such offset well in any manner and from any surface location Lessor may select, notwithstanding the exclusive rights granted Lessee.

(e) Any well drilled as an offset well shall be regarded also as one of the wells required to satisfy the development obligations of this lease and shall be so counted.

Each well required to be drilled under the foregoing provisions shall be drilled in accordance with good cilfield practice, diligently and continuously, and if capable of producing oil in quantities sufficient to repay operating costs and royalty, shall be operated as long as it is capable of so producing.

Nothing herein shall be construed to limit the number of wells which the Lessee may drill should it so elect in excess of the number herein-above specified or the depths to which any well may be drilled by Lessee, should it desire to drill below the depth specified or to any depth. The Lessee shall have the right at all times to operate, deepen, redrill and properly maintain all producing wells upon said property.

DELAY RENTALS

10. In the event Lessee shall suspend operations in any well and shall not be drilling in some other well, the Lessee shall pay delay rental to the Lessor during the time said well is idle in the following amounts:

100 per day during the first 90 days; 1150 per day during the next 90 days; and 200 per day thereafter.

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Lessee shall not be required to pay any rental to Lessor during the sixty (60) day period between the completion of a well and the actual spudding in of the next succeeding well; provided, however, if the Lessee shall not spud in the next succeeding well within said sixty (60) day period, then the Lessee shall pay delayed rental to the Lessor during said period following the end of the sixty (60) day period above described in the following amounts:

\$100 per day during the first 90 days there-

3150 per day during the next 90 days; and 200 per day thereafter until actual drilling shall begin in a well, where-upon the obligation to pay this delayed rental shall cease.

Solid delay rental shall be in addition to and not a part of royalties hereinafter provided to be paid to Lessor in Paragraph 14 of this lease.

Notwithstanding the foregoing permitted delay in drilling in the manner above provided, and as to well spacing, at all times after the discovery and production of oil in paying quantities in any well within seven hundred feet (700') of the outer boundaries of the demised premises, the Lessee agrees to protect the domised premises from drainage by the drilling of such additional wells, if any, as good oil field practice and sound engineering shall require to protect the demised premises from drainage due to the drilling and production of oil from wells on adjoining lands.

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Il. Lessee shall at all times produce, pump, flow or otherwise operate all wells at their full capacity so as to secure the largest amount of oil therefrom, except that the wells may be operated at a lesser rate when such rate shall conform to well established and recognized production practice or as provided in paragraph 17 hereof.

DISCONTINUANCE 12. In the event the Lessee shall cease producing OF FRIDUCTION oil in any well from which oil shall have been-produced, unless such cessation is due to causes set forth in paragraph 17 hereof, and shall not be at work in said well repairing or redrilling the same, but shall leave the same idle or shall abandon said well, then within thirty (30) days after the cessation of the production of oil or of repair work or redrilling, the Lessee shall during the thirty-five (35) year term of this lease, quitclaim to the Lessor all of its right, title and interest in such land as it may have retained on connection with its operations on said well. Lessee may, however, retain any land needed for the operation of any other remain-

ing drilling or producing well or wells.

HOYALTIES FOR OIL

ment of royalty, of so much of the oil and gas produced on the demised premises as it may require for production purposes. Other than the products so specified to be used by Lessee in this paragraph 13, Lessee shall pay the Lessor one-fifth (1/5) royalty of the value of all oil which may be produced, saved and removed from said lands, and after making customary deductions for temperature, water and bottom sodiment at the posted

prices paid to producers by Standard U11 Company of 56439 California, or the highest price posced by any of the other following oil companies: Union Oil Company of California, Shell Oil Company, Tidewater Associated Oil Company, Richfield Oil Company, General Petroleum, Corporation, or Texas Oil Company, or paid by any of the nerein specified oil companies at the well in which the demised premises are located for oil of line gravity of cleaned oil, free from water, mud and bottom sediment, on the day the oil is run into the pipe line or storage tanks of Lessee; settlement to be made by Lessee on or before the 20th day of each calendar month for accrued royalties for the preceding month; or, at Lessor's option, on thirty (30) days! notice, Lessee shall deliver into tanks maintained by Lessee on the demised premises, or to pipe line STORAGE OF at some point on the drill site, free of cost, Lessor's royalty oil. If said oil is delivered into Lessee's tanks, it shall be stored therein for not exceeding fifteen (15) days, free of charge to Lessor, but at Lessor's risk. Nothing herein contained shall require Lessee to segregate or keep separate the various

> grades of oil produced upon the demised premises, nor shall Lessee by required to keep separate the production

of any well or group of wells. Whenever accounting for royalty will permit, the oil produced and saved from the different wells may be commingled and after commingling shall represent the character of oil pro-

duced upon the demised premises. THEATING OF OIL

In the event that in the judgment of the Lessee it shall be necessary to heat, treat or ichydrate the oil produced from any of the wells drilled on the above described premises, Lessee may heat, treat or dehydrate the same and Lessor hereby agrees to pay its pro rate share of its royalty share of not to exceed four cents (4¢) per barrel for the net oil heated, treated or

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dehydrated, which charge shall be deducted monthly from the royalty due Lessor.

ONUS FOR In the event the Lessee receives any bonus oil in money above the posted market price for the sale of the above oil, the Lessor shall receive its proportion of such bonus, payable proportionately as and when received by the Lessee.

ACCOUNTING FOR The Lessee agrees that it will, on or before GIL PRODUCID the twentieth (20th) day of each calendar month, furnish to the Lessor a true account of the production of all substances herein named from the demised premises during the next preceding calendar month, except such portion thereof as may be used in the development and operation of the property under the terms of this lease.

ROYALTY FOR GAS

14. Lessee shall pay Lessor one-fifth (1/5) royalty of the net proceeds derived from the sale of gas from said property while same is being sold or used off the premises, settlement to be made by Lessee on or before the 20th day of each calendar month for gas sold during the preceding month, but nothing herein contained shall require Lessee to save or market gas from said lands. Lessee shall have the right, free of cost to it, to use gas required for production purposes on said property and production and lifting of oil from said wells.

MOYALTY FOR 14A. In the event Lessee shall extract or GASOLINE cause to be extracted gasoline or other liquid products from gas produced from said lessed promises, Lessee shall pay to Lessor as royalty one-fifth (1/5) of the sales value as hereinafter

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defined or fifty per cent (50%) of the gasoline or other liquid products credited to this lease. The sales value of such products at the prices currently offered or paid to producers for products of like specifications and quality in the same vicinity. Settlement shall be made on or before the 20th day of each calendar month for gasoline sold during the preceding month.

INTEREST OF 15. It is understood and agreed that the UNITED STATES

United States of America is the owner of six and one-quarter per cent (6-1/4%) of the amount or value of any oil and gas that may be produced from the demised property except that used on the demised property, and that the royalty of one-fifth (1/5) herein reserved in paragraphs 13 and 14 to the Lessor includes such amount or value.

SHARE OF NET 16. The term "net profits," as used herein, PROFITS

and as applied to any particular time, shall mean the amount by which the "gross proceeds," as hereinafter defined, derived by Lessee from its operations from the beginning of operations until the date as of which the computation is made, shall exceed the "chargeable costs and expenditures," as hereinafter defined, paid and incurred by Lessee from the beginning of operations to said date of computation.

GROSS PROCEEDS A. The term "gross proceeds," as used herein, DEFIGED shall mean and include and shall only mean and include:

(a) The "sele velue," as hereinafter defined, of eighty per cent (60%) of all oil and other hydrocarbon substances (other than gas and gasoline) produced and saved by Lessee from

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wells drilled under this Agreement;

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- (b) The "sale value" of eighty per cent (80%) of all gas produced and saved and sold by Lessee from wells drilled under this lesse, including the "sale value" of eighty per cent (80%) of any gas retained by any processor under the provisions of any processing agreement which Lessee may enter into for the processing of gas produced from wells drilled under this lesse and agreement, and also including eighty per cent (80%) of the sale value (computed at the same price at which gas is contemporaneously produced and sold from wells drilled under this lease and agreement, or if no gas is being produced, saved and sold by Lessee from such wells at such time, then computed on the basis of the net proceeds from the sale of gas in the nearest field where gas of similar quality is produced, saved and sold) of any gas produced and saved by Lessee from such wells and not sold but used by Lessee at any particular time for any purpose not connected with or incindental to its operation under this lease and agreement; and
- (c) The eighty per cent (80%) of the "sale value" as hereinafter defined, of fifty per cent (50%) of all gasoline extracted from gas produced from wells drilled under this lease and agreement.

CALE VALUE 'UIL' DEFINED E.(a) The term "sale value" of all oil and other hydrocarbon substances (other than gas and gasoline), as herein used, is hereby

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defined to mean the value thereof computed at the current price posted and paid therefor by Standard Oil Company of California from time to time to producers generally for products of like character, gravity and quality in the same vicinity.

SALE VALUE (GAS)

(c) The term "sale value" of gas, as herein used, is hereby defined to mean the net proceeds recoived by Lessee from the sale of such gas.

SALE VALUE (GASOLINE)

(c) The term "sale value" of gasoline, as herein used, is hereby defined to mean the value thereof computed at the current prices paid therefor by Standard Oil Company of California, or any of its present or future subsidiaries, from time to time to producers generally for products of similar specifications, vapor pressure and quality in the same vicinity.

CHAPGEABLE COSTS AND EXPENDITURES DEFINED C. The term "chargeable costs and expenditures," as used herein, shall mean all costs and expenses incurred by Lessee in the exploration, development, equipment, maintenance, operation and abandonment of wells drilled under this lease and agreement, which costs and expenses shall be defined in and determined in accordance with the accounting schedule marked Excibit "A", hereto annexed and by reference made a part hereof; provided, however, that no part of the cost of extracting gasoline from gas produced from wells drilled under this lease and agreement shall be included therein nor shall the cost of transporting and selling such gasoline to included therein.

shall not be required to account to Lessor for, any oil, gas or other hydrocarbons promuced from wells milled under this losse and agreement and used by Lessee for production purposes on the demised premises or unavoidably lost.

COSUMPING

I. Lessee shall keep true and correct books of account and records showing the production of oil, gas, gasoline and other hydrocarbon substances from wells drilled under this lease and agreement, the amounts shipped therefrom, the total "gross proceeds" and "chargeable cost and expenditures" hereunder, As well as any other records and data necessary or proper for the settlement of accounts between the parties hereto, which books, records and data shall be open to inspection by Leasor at all reasonable times; and Leasee shall, not later than the last day of each calendar month, furnish Lassor with statements showing such production from such wells, the "gross proceeds" derived from the operations thereon, royalties and rentals paid or accrued, and the "chargeable costs and expenditures" hereunder incurred during the preceding calendar month, accompanied by any payments due Lessor hereunder, such statements and payments to te mailed to Lessor at the City Hall, 200 North Spring Street, Los Angeles, California. Said statement of "chargentl costs and expenditures" shall to in the same surmarized form as Lassoc shall prepare such statement for its cwn use.

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SHARE OF NET PROFITS TO BE PAID TO LESSOR

F. On or before the last day of each calendar month, commencing with and including the month next succeeding the month in which oil, gas or other hydrocarbons shall first be produced in Lessee's operations under this lesse and agreement, Lessee shall account for and pay to Lessor the following:

A sum representing the amount by which fifty per cent (50%) of the "net profits," as herein defined, derived from Lessee's operations under this lease and agreement, from the date of this agreement up to the end of such preceding calendar month shall exceed all sums paid from the data of this agreement by Lessee to Lessor pursuant to the provisions of this paragraph F.

LEVELOPMENT AND OPERATING EXPENSE

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G. All operations performed by Lessee in connection with the exploration, development and operation of said leased Parcels 1 and 2 shall be at the sole cost and expense of Lessee, and Lessor shall not be chargeable with nor liable for any part thereof.

LLSSOR'S INTEREST IN PERSONAL PROPERTY

H. Lessor shall have no right, title or interest in or to any machinery, rigs, pipes, casing or other property or improvements of whatsoever nature belonging to or furnished by Lessee in connection with the exploration, development and operation of said demised Farcels 1 and 2 and Lessee shall have the right to remove at any time, and from time to time, all such property and improvements belonging to or furnished by Lessee, provided that, upon removal of any of such property and improvements, a proper accounting of the value thereof, when removed, shall be made, as provided in Exhibit "A", hereto annexed.

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PASTNERSHIP

I. It is the express intention of the parties hereto not to create a partnership relation hereby.

DEDUCTION

J. All amounts required to be paid by Lessee to Lessor shall be paid without delay, deduction or default and shall be payable to the Lossor at the address hereinafter given in paragraph 36.

ADJUSTMENT OF INCOME TO

It is understood and agreed by and between the parties hereto, anything hereinbefore to the contrary notwithstanding, that on and after January 1, 1961, Lessor, at its option, may appraise said Parcel No. 1 (or any portion thereof then subject to this lease, whichever is lesser) for the purpose of determining its market value for any and all purposes other than for production of oil and/or other hydrocarbon substances. If said appraisement by Lessor shall be unsatisfactory to the Lessee, the Lessee shall have the right to demand a reappraisement to determine said market value. Said reappraisement shall be made by appraisers selected by Lessor and the Lessee in the following manner: Lessor shall select one and the two thus selected shall select a third, and a reappraisement in writing made and signed by said appraisers, or a majority of them, shall be deemed to have fixed the market value of said property; and if at that time, of any time thereafter the net revenue received by and paid to Lessor under the terms of this lease shall in any period of one year be less in amount in the aggregate than the total of taxes and assessments (if same were payable by Lessor) or any portion of Farcel No. 1, then subject to this lease, which-

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ever is the lesser, and interest for one year, at the rate of six per cent (6%) per annum on said market value as reappraised, the Lessor may, at its option, terminate this lease upon sixty (60) days! written notice to the Lessee, and within said sixty (60) days, said Lessee agreed to move from Parcel No. 1 all tools, implements, and appliances and structures owned by the Lessee and to deliver to Lessor a quitclaim deed in form sufficient to be recorded in the Office of the County Recorder of Los Angeles County, terminating all rights of the Lessee hereunder; provided, however, that the Lessee may, at its option, within said sixty (60) day notice period, pay to Lessor in addition to the net revenue received by Lessor a sum which with such net revenue, shall equal at least taxes and assessments (if same were payable by Lessor) on said Parcel No. 1 (or any portion thereof then subject to this lease, whichever is lesser) and six per cent (6%) per annum upon said appraised value as fixed by such resportisement, and upon such payment Lessee shall retain the rights herein granted for one year; and thereafter Lessor, at its option, may annually approise the market value of said Parcel No. 1 and if said appraisement is unsatisfactory to Lessee, the Lesses may require annually a reappraisement of the market value of said Parcel No. 1, in the manner heroinbefore stated, and the Lessoe may retain its rights hereunto only from year to year provided the net revenue plus such sums as the Lessee shall pay to Lesser shall for each year be equivalent to at least taxes and assessments (if same were payable by Lessor) on said Parcel No. 1

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and six per cent (t%) of the appraised value of said Parcel No. 1 (or any portion thereof then subject to this lease, whichever is the lesser). The cost of such appraisement shall be borne equally by Lessor and Lessee.

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WHAVOIDAF LE DELAYS IN DRILLING CPERATIONS

17. Drilling, pumping, remedial and repair operations shall be suspended on said property only in the event that they are prevented by the elements, accidents, strikes, lockouts, riots, delays in transportation or interference by municipal, state or federal action, or by action of any other governmental officers or bodies, or other causes beyond reasonable control of Lessee, or so long as the price of oil of the quality produced on said property shall be less than seventy-five (75¢) cents e barrel at the well (except that Lessee shall, regardless of the price of oil, pump or drill offset wells when wells offset are being drilled or operated), but Lessee shall in each such case, with due diligence, resume drilling and/or pumping as soon as such preventing sause or causes shall cease to operate. Lessee is hereby authorized to enter into conservation agreements with the United States Government, State of California, or any county or municipal subdivision thereof, and/or other operators in the field for proper conservation of oil and/or gas.

production to the amounts recommended by the Conservation Committees of California Oil Producers or in accordance with any other reasonable, general conservation or production program in the field.

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If the Conservation Committee of California Oil Froducers shall cease to function in recommending said amounts, then Lessee may at its option shide by the action of any other body that succeeds said Conservation Committee of California Oil Producers, either in the State of California as a whole or in the field in which this lesse is located.

Anything in this lease agreement contrary to the terms and provisions of or regulations under any State or Federal law or municipal or county ordinance having for its purpose the control of production of gas and/or oil, of the drilling of wells therefor, shall be deemed inoperative.

REMEDIAL OPERATIONS

18. Time consumed in cleaning out, repairing, deepening, or improving any producing well or its necessary appurtenances shall not be construed or deemed as an interruption of the covenants requiring continuous operation of producing wells.

TAXES

19. Lessee agroes to pay before delinquoncy all mineral taxes lovied against its interest hereunder, and all taxes that may be levied against its improvements, machinery, equipment and personal property on the demised premises, including any oil and minerals belonging to Lessee that may be stored in said premises.

Should severance taxes or other new forms of taxes be assessed, including all taxes measured by the amount of oil, gas and/or other hydrocarbon substances produced, Lessee shall pay such taxes as are levied against its interest hereunder.

CIMMU AND CATAL

20. The Lessee also agrees to keep the demised premises and every part thereof free from

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liens for work or labor done for, or materials or supplies furnished to, Lessee during its occupancy of the demised premises, or any part thereof, to cause some to be released or discharged of record; provided that, if Lessee shall dispute the justice of any such claim or claims, it shall have the right to defend against the same, and in the event that Lessee shall fail or refuse to defend any such claim or claims, the Lessor shall have the right to defend against the same and the Lessee shall be liable to Lessor for all costs, damages and counsel fees, reasonably expended by Lessor in defending any such action and for the payments of any final judgment entered against Lessor, and Lessor shall have the privilege at all times of posting and maintaining upon the property used by the Lessee, notices that the Lessor is not responsible for any debts contracted by the Lessee.

COMPLIANCE WITH LAWS

Lessee shall carry on all operations in a careful, workmanlike manner, at its sole cost and risk, and Lessee agrees to comply with all the laws of the State of California, the ordinances and regulations of the City of Los Angeles and all rules or regulations of all governmental bodies having jurisdiction over any of the operations conducted on the demises premises, and shall, at its sole cost and risk, abandon all wells drilled on the demised premises strictly in accordance with the laws of the State of California and the regulations of the Division of Oil and Gas of the Department of Natural Resources of the State of California.

Lessee shall protect, indemnify and save

Lessor harmless from any and all liability and claim

of liability of every kind and character caused BM 56439 FACE 127 by or arising out of any injuries to person or property by reason of, or in any way connected with, the operations of Lessee upon the demised premises.

LIFIGATION 21. Each of the parties shall give the other written notices of any litigation affecting the demised premises as soon as such party shall have knowledge thereof. If either Lessor or Lessee shall commence any action against the other in order to enforce its rights under this instrument, then, in any judgment which may be rendered in said action in favor of the Plaintiff, the party in default shall have included against it such reasonable attorneys' fees in said action as shall be fixed

INFORMATION
and casing record, showing the progress of drilling
and casing in each well in which drilling shall have
been done on the demised premises, and to give the
Lessor access to such log and casing record at all
reasonable times and at such times to permit the
Lessor to inspect such log and casing record, and
to furnish a copy thereof to Lessor.

by the court.

FIPE LINE
LOCATION

The Lessee shall keep a record of installation of all pipe lines laid by the Lessee on the demised premises, showing the location of such pipe lines, and give the Lessor access to such record at all reasonable times, and at such times to furnish the Lessor a copy of such record.

INSPECTION OF Lessor shall have the right to inspect and re-DMILIING REXORDS coive copies of all well surveys, maps showing the BUC156439 -# .:128

underground location of all wells, Schlumberger records and reports of other electrical logging, water tests or other tests now known or developed hereafter, bore records and logs, and shall have access at all reasonable times to the demised premises and the derrick floor located thereon for the purpose of making such inspections and examinations.

All records, information and data of the operations of the Lessee hereunder shall at all times be open to the inspection of the Lessor or its representatives, designated in writing by the Lessor, and said representatives shall be entitled to receive copies thereof. Said information shall include all geological data and interpretations of the Lessee, but Lessor agrees that Lessee shall not be liable or responsible for the accuracy thereof nor any changes in interpretations which the Lessee may make from time to time based upon additional data or different interpretations of existing information.

IANDING AND CEMENTING OF PIPE ge

Lessee further agrees to confer with the OF geologist, or other representative of the Lessor designated in writing, before landing or cementing any water string in any well drilled on the demised premises. The Lessee further agrees to confer with geologist of the Lessor at all times while it shall drill in any well below said water string until the completion depth of said well has been determined. The Lessee shall be under no obligation whatsoever to follow the advice of the said geologist in the manner of drilling or conducting its operations in said well, but said geologist shall at all times be fully advised by the Lessee of its operations in selecting cementing points for water strings in its

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well and while drilling in oil zones in said wells.

IMAPLOTICA PRODUCTION RECORDS

of 23. The Lessor shall have the right, if it so desires, to inspect Lessee's records of production at any time during business hours for the purpose of verifying such accounts and the right to measure and gauge the quantity of any and all of said substances produced on said premises.

NOTICE OF

24. Lesseo shall at all times advise Lessor of all work which is contemplated on the demised premises and shall consult with the representative of the Lessor when designated in writing by the General Manager of the Department of Recrestion and Forks for the purpose of minimizing all hazards and preserving safety on the demised premises.

Lessee shall not hold Lessor responsible for any damage which might be sustained as the result of said consultations, and hereby relieves Lessor of all such responsibility.

INFORMATION
RESPECTING
OTHER
LANDS

Operator of any leased lands offsetting or adjoining the demised premises, or within one thousand feet (1000') of the demised premises, the Lessee will furnish the Lessor the same data relative to its wells, production, tests, maps, geological and other data, as the Lessee is hereinabove required to furnish the Lessor as to operations on the demised premises. Lessee may likewise furnish the owner or Lessees of any adjoining lands, with whom Lessee wishes to exchange information relative to wells and production on the demised premises.

PENCES AND PIPELINES

26. Substantial fence shall be constructed and maintained by Lessee whon required by Lessor at places designated by Lessor. Lessee will bury

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all pipe lines to such depth and in such manner satisfactory to representative of the Lessor.

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CONDUCT OF DRILLING

- 27. Lessee agrees that its drilling opera-OPERATIONS tions shall be conducted in accordance with all requirements of the Department of Planning and the Zoning Administrator, and including, but not limited, to the following; and it is agreed that whenever the requirements of said Department or said Administrator are more severe than those contained herein, such more severe requirements shall apply:
 - (a) All drilling equipment, including, but not limited to, draw-works, rotory table and pumps, shall be operated by means of electrical power and shall be the best and most modern drilling equipment available;
 - (b) Drilling derricks, and all drilling equipment shall be sound-proofed in the most modern available manner so as to avoid noise, disturbance or offense to the residents near the area in which drilling operations are conducted;
 - (c) Mud sumps and ditches shall not be dug into the surface of the ground, but shall consist of portable metal or wooden tanks and flumes;
 - (d) Exhausts of all engines (if any) shall be muffled.

JOHDUCT OF PRODUCING 28. Lessee agrees that its producing operations OPERATIONS: shall be conducted in accordance with all requirements of the Department of Flanning and the Zoning Administrator, and including, but not limited to, the following, and it is agreed that whenever the requirements of said Department or said Administrator are more nevere than these contained herein, ruch and apply:

- (b) All function; equipment shall be operated by means of electrical power;
- (t) No walking beam type of pumping unit anali ne used;
- (e) furpile ognipment shall be done by Hobe or by hydraulic pumps, gas lift, botton hole pumps or vacuum pumps, and all such pumping equipment shall be located in concreted tranches below the present level of the ground, or completely concealed by vagetation or an approved enclosure.

SCHDUCT OF HEMSDIAL AND HEMSTONN PHIR

pairing and servicing operations shall be conducted in accordance with all the requirements of the Repartment of Planning and the Zoning Administrator and including, but not limited to, the following, and it is agreed that whenever the requirements of said Department or said Administrator are more severe than those contained herein, such more severe re-

differents shall apply:

29. Lessee agrees that its redrilling, re-

- (a) The redrilling squipment shall be portable and shall be operated in such a manner as to avoid noise, disturbance or offense to residents in the area in which such operations are conducted;

 (i) Exhausts of all internal concustion on ines
- (i) Exhausts of all internal comcustion engines shall be married;
- self Bud sumps and ditches shall not be dug into the surface of the ground, but shall ecnoist if postable motal or coolen turks and flumes;
- 3 lold recribing operations and l be completed within filteen (15) days from the commencement

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date thorsof, or shall be replaced with drilling equipment, as set forth in Paragraph.27.

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INJURY TO SURFACE OF LAND

30. The Lessee further agrees to prevent, as far as practicable, with the exercise of reasonable care and diligence, the overflow of oil or water which may be detrimental to vegetable growth upon the portions of the demised premises, and to save the Lessor harmless from all damages and claims for damages for injuries to adjacent lands caused by the overflow of such oil or water.

TERMINATION FOR DEFAULT

If the Lessee shall fail for a period of thirty (30) days after written notice is given to it by the Lessor to comply with any provisions in this lease, Lessor may, at its option, terminate this lease, provided that no failure on the part of the Lessee to comply with any of the provisions of this lease as to any well or wells shall affect the right of the Lessee to continue its possession and operation of any other producing or drilling wells, so long as Lessee shall comply with the terms hereof as to said other well or wells.

VOLUNTARY QUITCIAIM

32. Lessee, upon payment to Lessor of the sum of Ten Dollars (\$10.00), may, at any time, either prior to or after the discovery of oil on the domised premises, quitclaim said property or any part thereof to Lessor, its successors or assigns; and thereupon, all rights and obligations of the parties hereto, one to the other, shall cease and determine as to the premises quitclaimed, except unpaid rentals, royalties, taxes, and except obligations theretofore accrued, if any.

OTHER GUITCLAIM

33. If this lease is terminated in whole or

in part, Lessee shall deliver to Lessor a good and sufficient quitclaim deed as to the demised premises, except subject to the rights reserved by Lessee under this Article.

Lessee shall provide with each quitclaim deed a Certificate of Title or a letter of a responsible title company covering the land so quitclaimed, made at the time of recordation of such quitclaim deed, and if such Certificate of Title or letter from title company discloses any rights, interests, claims, liens, or encumbrances conveyed, granted, done, made or suffered by Lessee, or anyone claiming under Lessee, Lessee will take such actions, steps and proceedings as may be necessary to terminate and extinguish any such rights, interests, claims, liens, and encumbrances, failing in which, Lessor may do so at the cost and expense of Lessee, which cost and expense, plus reasonable attorneys! fees, Lessee agrees to pay to Lessor upon demand.

Except as to easements and rights of way to be retained by the Lessee on or across land so quitclaimed and the right in Lessee to remove its property therefrom, full rights to any such quitclaimed lend shall revest in the Lessor free and clear of all claims of the Lessee. Notwithstanding anything in this paragraph provided to the contrary, it is distinctly understood and agreed that in the event the Lessee quitclaims any part of the demised premises less than the whole, Lessee shall continue to pay taxes on its improvements and personal property thereon and also continue to pay taxes thereon of whatever kind resulting from the discovery or production of vil or other hydrocarbon substances

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JUITCLAIM

on or from the demised premises.

Upon the abandonment of any producing well, AFTER
APANDONMENT Lessee, within thirty (30) days after the abandonment of such well, shall quitclaim and surrender to Lessor all of the land retained adjacent to said sbandoned well which it does not need for the operation of other drilling or producing wells. The lands quitclaimed shall remain subject to the rights of way necessary or convenient for Lessee's operations on the land retained by it.

> At the time of quitclaiming of land adjacent to said abandoned well, Lessee shall also quitclaim to the Lessor all other land which it does not use and occupy in connection with its operations on any remaining producing well or wells. Any quitclaim deed by Lessee to Lessors shall be sufficient to entirely clear the title to the lands so quitclaimed from any terms or obligations of this lease.

REMOVAL OF CASING

34. Lessee shall have, at any time, the right to remove any tanks, pipe lines, structures, casing or other equipment, appurtenances, or appliances placed by it upon said land, whether affixed to the soil or not; provided, however, that in the case of abandonment of any well or wells, in which Lessee has landed casing, Lessee shall notify Lessor and if the Lessor or its successors or assigns, shall desire to retain the same, the Lessor or its successors or assigns, may, upon thirty (30) days! notice to Lessee notifying Lessee to that effect, and within thirty (30) days after giving said notice to the Lessee, Lessor shall have the right to purchase all solvable facilities and equipment at, and recoverable casing in the wells, prior to the abandonment thereof, at the salvage value thereof, less cost of recovery, and shall thereafter have the right to take possession of any of said well or wells and operate the same, and produce oil and gas therefrom, or salvage casing therefrom at its solu option.

the parties as to any matters of fact arising under this lease, such question of facts shall be submitted to arbitration, and the decision of the arbitrators thereon shall be a condition precedent to the right of action under the lease itself. One arbitrator shall be appointed by each of the parties hereto and a third arbitrator by the two (2) so appointed. Any decision by a majority of such arbitrators shall be binding upon both parties.

MOTICES

36. Any notice relative to this lease from Lessor to Lessee shall be deemed sufficiently delivered if written copy thereof be delivered to Leasee at the oddress given below, or by mailing a written copy, by registered mail, postage prepaid, addressed as follows: Signal Oil and Gas Company Richfield Oil Corporation, 555 South Flower Street, 811 Wast Seventh Street Los Angeles 17 California Los Angeles, 17, California. or to such other address as the addressee shall have designated by its latest written notice of change of address to the party mailing the aforesaid notice or communication.

Any notice relative to this lease from Lessee to Lessor, including payment of rents and royalties, small be deemed sufficiently delivered if a written copy thereof be delivered or mailed by registered

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mail, postage prepaid, to the Lessor, City Hall, 200 North Spring Street, Los Angeles, California.

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INSURANCE

37. In connection with any and all operations contemplated hereunder, the Lessee will, prior to the commencement thereof, procure and maintain insurance against public liability and property damage for the benefit of the Lessor and the Lessee in amounts satisfactory to Lessor, and will carry adequate Workmen's Compensation Insurance. Lessee shall furnish to Lessor Certificate of Insurance evidencing the fact that such policies are carried, the extent of the liabilities therein provided, and the risks against which Lessee and Lessor are insured, which said policies shall be approved by Lessor prior to commencement of any such operations.

SURRENDER OF POSSESSION

38. Upon the termination of this lease, whether by lapse of time or otherwise, as to all or any portion of the premises hereby leased, Lessee shall peaceably and quietly leave, surrender and yield up unto the Lessor said premises or such portion thereof as to which this lease shall have terminated, and shall remove all materials, structures, obstructions, excepting, casing, placed by it on or in the demised lands and shall fill up all trenches and holes and remove all oil debris from said premises and small fill any other excavations made by it, and restore the land to the condition in which it was received, and Lessee shall promptly execute and deliver to said Lessor a good and sufficeient quitclaim deed to be recorded in order that the record title of said premises, or the portion thereof as to which this lease has terminated, may be cleared of the cloud created by this lease.

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39. Notwithstanding anything herein contained to the contrary, it is understood and agreed that any reference to the use of the demised premises or to the rights or obligations of the parties in respect thereto shall in no way be deemed to grant or lease unto the Lessee herein any right to the surface or to use or occupy in any manner whatsoever the surface of Parcel No. 3, except as described in Parcel No. 1.

40. Neither this lease nor any interest therein may be assigned by Lessee nor shall Lessee sublet any portion of the demised premises without the written consent of Lessor. Any such attempted assignment or subletting without such consent of Lessor shall be ineffective and shall confer no rights on any purported assignee or sublessee, and shall be deemed a default in the terms of this lease.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first hereinabove written.

THE CITY OF LOS ANGELES, a municipal camporation
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STATE OF CALIFORNIA) COUNTY OF LOS ANGELES) 38

On this 31st day of October, 1957, before me, Richard L. Brewer, in and for said County and State personally appeared Frode B. Kilstofte, known to me to be the President, and Ruth Knight, known to me to be the Secretary of the Board of Recreation and Park Commissioners of the City of Los Angeles, the Municipal Corporation that executed the within instrument, known to me to be the persons who executed the within instrument on behalf of the Municipal Corporation therein named, and acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Notary Public in and for said County and State

My commission expires Feby 20,1960,

STATE OF CALIFORNIA County of Los Angeles B00158439 ...

ON THIS 29 day of May 1957
before me Dorothy Hald
a Notary Public in and for the said County and State,
personally appeared H. F. Clary
Vice President and R
Asst. Secretary of the/corporation that executed the
within Instrument, known to me to be the persons who
executed the within Instrument on behalf of the corpora-
tion herein named, and acknowledged to me that such
corporation executed the same.

IN WITNESS WHEREOF, I have bereunto set my hand and affixed my official seal the day and year in this Certificate first above written.

Notary Pub (1c) in and for said County and State

My Commission Expires April & 1961

STATE OF CALIFORNIA COUNTY OF LOS ANGELES

On this 31st day of Sue M. Mason

, in the year 19 57 , before me. n Notary Public in and for said County and State, personaliz-

appeared W.J. Travers.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this cortilles. first above written

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EXHIBIT "A"

ACCOUNTING PROCEDURE

Attached to and Made a Part of Lease and Agreement dated the 29 day of May , 1957, between the City of Los Angeles, a municipal corporation acting by and through its Board of Recreation and Park Commissioners therein and herein referred to as "Lessor", and the Lessee named therein and herein referred to as "Lessee" and which agreement is hereinafter referred to as "Agreement".

SECTION I. DEFINITIONS, RECORDS, AND STATEMENTS

- 1. The term "Property" as used herein shall mean the real and personal property subject to the Agreement.
- Lessee shall furnish Lessor, on or before the last day of each calendar month, statements that will properly reflect the application of credits derived from the disposition of crude oil, gas, and other hydrocarbon substances for the preceding calendar month.
- 3. On or before the last day of each month, Lessee shall submit to Lessor a statement of costs and expenditures incurred under the Agreement during the preceding calendar month. Such statements shall be in the same summarized form as Lessee shall prepare for their own use, but Lessee will not be required to furnish Lessor with supporting documents such as invoices, storehouse tickets, etc.
- flected by statements issued by Lessess, shall be paid together with the statements. The payment of the amount due or the acceptance of the statements shall not prejudice the right of Lesser to protest the correctness of any item therein; provided that Lesses shall not be required to adjust any item, except inventory adjustments made pursuant to Section VI hereof, unless a written claim therefor is presented to Lesses within one year from the close of the calendar year to which

BOOK 56439 FASE 141

such atatement applies. Also, no adjustment favorable to Lessors or Lessees shall be made unless it is made within the same prescribed period, except inventory adjustments made pursuant to Section VI hereof, or adjustments made in connection with a claim of Lessees.

SECTION II. CHARGEABLE COSTS AND EXPENDITURES

Chargeable costs and expenditures shall include all costs and expenditures in connection with the performance of Lessee's operations under this Agreement, such as developing, maintaining, operating and abandoning the Property. Without in any way limiting the generality of the foregoing, chargeable costs and expenditures shall include:

- Permits, licenses, and bond premiums necessary in the performence of Lessees! duties under the Agreement.
- 2. Salaries and Wages of Lassess' employees, other than omployees compensated for under paragraphs 13, 14 and 15 of this Section II, directly engaged in operations of the Property, plus that portion of taxes and assessments imposed by governmental authority on or measured by the pay of employees, and group insurance, sick pay (not recoverable from insurance), vacations, pensions and other benefits accorded in general to employees by Lessees computed to be applicable to such salaries and wages.
- 3. Materials, equipment, and supplies purchased by Lessee or furnished from its storehouse stocks or from its other properties for use on the Property, which shall be priced as provided in Section III: . Insofar as is practical and consistent with efficient and economical operation, only such materials shall be purchased for or transferred to the Property as are required for immediate use, and the accumulation of materials and supplies on the Property shall be kept to a minimum.
- 4. Transportation of employees, equipment, material, and supplies to and from Parcel 1 covered by this Agreement except as

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- A. Mo charge shall be made for moving equipment, material, and supplies from Lessees! storehouses or other property of Lessees to Parcel 1 for a distance greater than would be necessary to move such equipment, material and supplies from the nearest reputable supply store where such items are available to purchasers generally, unless otherwise approved by Lessors.
- B. No charge shall be made for moving surplus equipment and material from the Property to Lessees' storehouse for a distance greater than to the nearest point where such surplus equipment and material could be sold at reasonable prices, nor shall a charge be made for moving materials to other properties belonging to Lessee, unless otherwise approved by Lessor.
- 5. Contract services and utilities procured from outside sources.
- Charges for use of and service by Lessee's exclusively-owned equipment, facilities and utilities on the basis of actual usage on or service to Parcel 1 at rates commensurate with the cost of ownership and operation including maintenance, insurance, taxes and allowance for depreciation and the cost of operation where not charged directly. Such rates shall not be in excess of rates currently prevailing for like service and equipment in the area where Parcel 1 is located. On request Lessee shall furnish Lessor a list of rates and the basis of application. Such rates shall be revised from time to time if found to be either excessive or insufficient, tut adjustment shall not be required more often than once every six (6) months.

Drilling tools and other equipment lost in the hole or damaged beyond repair may be charged at a fair depreciated value.

7. hence llitation costs occasioned by fire, flood, storm, accident, or other cause or condition not controllable by

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Lessee through the exercise of reasonable diligence, whether or not similar to the causes or conditions herein specifically enumerated, and not compensated for by insurance or otherwise. Lessee shall furnish to Lessor a written notice of damages suffered from any source whatsoever immediately after report of the same has been received by Lessee.

- 8. Expenses of litigation, liens, judgments, and settlement of claims incurred in or resulting from the operations under the Agreement, except that no charges for services of Lessen's legal stnff or for fees or expenses of outside attorneys shall be made except upon prior agreement between Lessen and Lesson.
- 9. Insurance covering development and operations under the Agreement, as follows:
 - A. Net premium cost of insurance carried for the protection of the parties hereto.
 - B. In the event operations under the Agreement are such as to permit Lessee to act as a self-insurer under the Chlifornia State Workmen's Compensation laws, Lessee may, at their election, include the risk under their selfinsurance program in that event, Lessee shall include a charge therefor representing the fair and reasonable cost of such self insurance, which charge, unless otherwise agreed by the parties hereto, shall in no event exceed the insurance manual rates as prescribed by the State of California.
- 10. A. All taxes and assessments paid by Lessees which are levied and assessed upon the mineral interest in and to Parcels 1 and 2.
 - B. All other taxes and assessments paid by Lesses which are levied and assessed, such as taxes on improvements and personal property, retail sales and use taxes, and any license, excise, or severance taxes or assessments on or measured by the production of oil, gas, and other

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hydrocarbon substances from Parcels 1 and 2.

- 11. To cover Lessee's cost of ordering, handling and storing materials, equipment and supplies, Lessee shall make charges therefor on the basis of the actual costs in so ordering, handling and storing materials, equipment and supplies, whether delivered from vendor direct to Parcel 1 or delivered from Lessee's storehouse to Parcel 1, or otherwise. Such charges are in lieu of any other charge for the cost of operating and maintaining Lessee's purchasing and warehousing facilities.
- 12. The amount of Leasee's field and district management, engineering, clerical and other field and district costs fairly and reasonable allocable to the operations hereunder which are not otherwise charged under this Section II.
- 13. The charges provided for under paragraphs 11 and 12 of this Section II shall be subjected to review and possible revision from time to time if in practice they are found to be insufficient or excessive, provided, however, that any revision in rates agreed upon by Lessee and Lessor shall not be applied retroactively. If at any time Lessee shall make any substantial change in accounting procedure or organization which affects costs or the basis used in establishing rates under paragraphs 11 and 12, Lessee shall notify Lessor in writing.
- 14. Any other expenditure incurred by Lessee for the necessary and proper development, maintenance, operation and abandonment of Parcels 1 and 2. This including the bonus paid for this lesse and all delay rentals paid pursuant to the terms of said lesse.

SECTION III, BASIS OF CHARGES

 Outside Furchases: All materials and equipment purchased and all service procured from outside sources shall be charged at their actual cost to Lessee, after deducting all discounts received by Lessee.

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- 2. New Materials Furnished by Lessee (Condition "A"):
 - A. New materials transferred to the Property from Lessee's storehouse or other properties shall be priced f.o.b. the nearest reliable supply store at current new price less all discounts customerily taken by Lessee. This will include cost of tubular goods (2" in diameter and larger) and major equipment such as derricks, tanks, compressors, engines, pumps, motors (3 H.P. and over), oil and gas separators (traps), pumping units, gear reduction units, and other large units. Smaller new materials such as valves, fittings, supplies, etc., where the current new prices cannot be readily escertained or where it is not practicable to use current new prices, may, for the purpose of consistency and convenience, be charged at Lessee's regular storehouse prices.
 - E. Gasoline, kerosene, and other light oils furnished by
 Lessee shall be at prices approximating posted tank
 wagon prices. Lubricating oils and greases shall be at
 prices approximating commercial consumer's price. In
 no event shall such prices exceed tank wagon or com=
 mercial consumer's prices for the respective products.
 Crude oil shall be priced at the available posted and
 published field price. Gas and liquefied products shall
 be at prices approximating market value.
- 3. Secondhand Materials Furnished by Lessees (Conditions "B" and "C"):
 - A. Material and equipment which is in sound and serviceable condition and suitable for use without repair or reconditioning, shall be classed as Condition "B" and except as provided hereinbelow, shall be prices at seventy-five per cent (75%) of current new price of like material.
 - B. Material and equipment not meeting the requirements of

the cost of transporting such meterial to Parcel 1.

Lessee does not warrant the materials purchased or furnished from its storehouse or other properties and, in case
of defective materials, credit shall not be passed until
adjustment has been received by Lessees from manufacturer
or his dealer or agent who has warranted same.

SECTION IV. DISPOSAL OF EQUIPMENT AND MATERIALS

Unless the removal of surplus equipment and
materials is otherwise restricted in the Agreement, Lessee
shall account for the disposition of surplus equipment and
materials as follows:

- The value of materials or equipment transferred to Lessee shall be included in the monthly statement of operations for the month in which the materials or equipment are removed from Parcels 1 and 2.
- 2. Sales to outsiders of major materials or equipment shall be made only with the consent of Lessor as to both terms and price and where made the proceeds shall be credited by Lessee at the full amount collected from vendee. Any claims by vendee for defective materials or otherwise shall be charged back, if and when paid by Lessee.
- 3. Lessee on behalf of itself and Lessor shall have the right to remove from the Property and dispose of junk materials and equipment not required for immediate or future operation hereunder. The net proceeds from the sale of all such materials shall be credited currently in the monthly statement.

SECTION V. BASIS OF PRICING MATERIALS TRANSFERRED FROM PARCEL 1

Materials and equipment transferred to Lessee, unless otherwise agreed, shall be valued on the following basis of condition and price:

1. New materials and equipment (Condition "A") acquired for

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Parcel 1 but not used thereon, at one hundred per cent (100%) of current new price.

2. Used Materials:

- A. Material and equipment which is in sound and serviceable condition and suitable for use without repair or reconditioning shall be classed as Condition "E" and, except as provided hereinbelow shall be priced at seventy-five per cent (75%) of current new price of like material if materials were new when originally charged to the property; or at seventy-five per cent (75%) of current new prices less depreciation consistent with their usage on and service to Parcel 1, if materials were originally charged to said Parcel 1 as secondhand at seventy-five per cent (75%) of new prices.
- B. Material and equipment not meeting the requirements of subparagraph 2A, hereinabove, but which, after being repaired or reconditioned will meet the requirements for Condition "B" material, shall be classed as Condition "C", and, except as provided hereinbelow, shall be priced at fifty per cent (50%) of current new price of like material.
- C. Material and equipment, including drill pipe, casing, and tubing, which is no longer usable for its original purpose but is further usable for some other purpose, shall be graded as to condition as provided in this paragraph 2 of Section V and priced on the basis of current new price of items normally used for such other purpose.
- D. Unserviceable material and scrap shall be considered as "Junk", classed as Condition "D" and, if transferred to lessee, shall be valued at prevailing junk prices in the district where Parcel 1 is located.
- it. There may also be cases where some items of major equipment, due to their unusual condition, should be

fairly and equitably priced by Lesseo.

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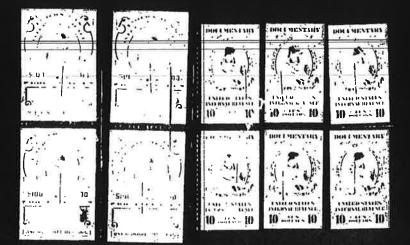
- F. Current new price, wherever used in this paragraph 2 of Section V shall have the same meaning and be determined in accordance with subparagraph 2A of Section III, except that cash discounts will be disregarded.

 SECTION VI. PHYSICAL INVENTORIES
- Inventories of the materials and equipment which are ordinarily considered controllable by operators of oil and gos properties shall be taken by Lessee at such times as shall be mutually agreed upon.
- 2. Written notice of intention to take inventory shall be given by Lessce to Lessor two weeks before any inventory is to begin, so that Lessor may be represented when any inventory is being taken.
- 3. Failure of Lessor to be represented at the inventory shall bind it to accept the inventory taken by Lessee.
- 4. Lessee shall furnish Lessor with copy of such inventories.
- 5. Reconciliation of inventory shall be made by Lessee and a list of overages and shortages shall be furnished by Lessee to Lessor.
- 6. Inventory adjustments, shall be made by Lessee for overages and shortages of such materials and equipment as are ordinarily considered controllable by operators of oil and gas properties. Lessee shall not be held accountable for thefts or minor coortages not due to a lack of reasonable diligence.

SECTION VII. GENERAL

The purpose of this Accounting Procedure, within the limits set herein, is to establish a method of accounting which will truly reflect Leasee's actual costs, so that Lessee will neither gain nor lose in relation to Lessor by reason of the fact that it conducts the operations, and in the event that at any time any of the methods of determining charges or credits prove unfair or inequitable to Lessee or Lessor, or will not effectuate the purpose of this Accounting Procedure, the parties will agree

upon a new method of determing such charges or credits which will effectuate the purpose, and this new method will be put into effect on such date as may be agreed upon.



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Recorded and compared: HAY E. LEE, County Recorder, By M. RAY Depost



DANIEL GREEN

ACTING CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS

GARY BOOHER PATRICIA BROWN R. NICOLAS BROWN ANIK CHARRON EMILY J. GABEL-LUDDY LOURDES GREEN LINN WYATT

CITY OF LOS ANGELLS

CALIFORNIA



DEPARTMENT OF CITY PLANNING

S. GAIL GOLDBERG, AICP

OFFICE OF ZONING ADMINISTRATION

200 N. SPRING STREET, 7™ FLOOR LOS ANGELES, CA 90012 (213) 978-1318 FAX: (213) 978-1334 www.lacity.org/PLN

March 13, 2006

C. Greg Wagner (A) Plains, Exploration & Production Co. 5640 South Fairfax Avenue Los Angeles, CA 90056

The Roman Catholic Archbishop of Los Angeles (O) 3424 Wilshire Boulevard Los Angeles, CA 90010

Edgar Salazar (R) 5640 South Fairfax Avenue Los Angeles, CA 90056

CASE NO. ZA 15227(O)(PA3) APPROVAL OF PLANS - DETERMINATION OF METHODS AND CONDITIONS 2126 West Adams Boulevard West Adams-Baldwin Hills-Leimert Planning Area

: [Q]R4-1-0 Zone D. M. : 123B193

C. D. : 10

CEQA: ENV 2005-6191-CE Fish and Game : Exempt

Legal Description: Lot A, Tract 9454

Department of Building and Safety

Pursuant to Section 13.01 of the Los Angeles Municipal Code, I hereby APPROVE:

methods and conditions controlling drilling and production operations for the re-drilling of three Class "A" oil wells, including the conversion of two Class "B" wells into class "A" wells, identified as M-2RD1, M-12RD1 and M-14RD2 of the Murphy drill site within Urbanized Oil Drilling District Nos. U-36, U-37 and U-82 respectively,

upon the following additional terms and conditions:

- 1. The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-1 dated July 28, 2005.
- 2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:
- 3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3, 4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail.



- 4. <u>Within six months of the date of effectiveness of this grant,</u> landscaping on the site shall be improved as follows:
 - With respect to that portion of the drillsite south of the cement block wall and a. facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall; (3) plant Ficus or climbing ivy, or similar plant-life (grown to 5 gallon size containers) along the South facing facility wall; (4) spread wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and put sprinklers on timers to insure proper maintenance of the grassy area; (7) install new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the East fence by painting it; (9) install meandering dry creek bed hardscape on the South parcel, utilizing recycled broken concrete foundations from PXP facilities (final placement, configuration and length dependent on pipeline easement and other site facility considerations); (10) work with 10th Council District office and Archdiocese to allow future public access.
 - b. With respect to that portion of the drillsite East of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install new/improved cyclone fencing along Adams, including raising the East facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on East wall; (4) improve wall on West side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install parking lot lighting; (7) plant ficus/climbing ivy, or similar along East and West walls to enhance it's appearance (using 5 gallon size container plantings); (8) install drip irrigation on new plantings; (9) install sprinkler timers.
- 5. That driveway access for ingress and egress to the drilling site shall be provided by not to exceed 2 driveways through the existing driveways fronting on from Adams Boulevard, with one utilizing the existing driveway near the easterly property line or located westerly thereof and the other located a minimum distance of 15 ft. from the westerly properly line. In no event shall the 27th Street driveways into the property be utilized except in rare case of emergency when the driveways to Adams Boulevard may be blocked. Furthermore, that the existing a parking area shall be provided on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drillsite, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees and overflow parking for The Athletic Club. Parking on the East side of the drillsite, outside of the enclosed area shall not be used for heavy trucking operations or staging or storage of any materials. The

driveways necessary on the drilling site, as well as the required employee and equipment parking area, shall be paved with rock and oil or asphalt paving materials suitable to withstand heavy trucking operations, and that <u>aAll</u> such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities.

6. As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted 24 hours a day, seven days a week, no work shall be conducted on the property between the hours of 7 p.m. of one day and 7 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7 p.m. of and 7 a.m., the applicant shall operate its facility in "Quiet Mode". "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency purposes only. The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergent situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy truck deliveries shall be permitted from 7 a.m. to 9:30 p.m., seven days a week. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parked within the facility is scheduled to leave the facility within 15 minutes. It is noted that the maximum number of heavy truck deliveries anticipated for moving the drilling rig on and off the premises is 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the maximum number of heavy truck deliveries per day shall be limited to a maximum of five.

The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or re-drilling of wells.

7. The applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:

- a. Erect a 30-foot high blanket sound wall on the west side of the drilling rig at the Murphy drilling site (west side property line), with the layout and wall lengths determined after the drilling rig and equipment positioning has been established. Install the sound wall as close as possible to the drilling rig and associated equipment with no gaps or openings in the walls. The sound wall material should have a minimum STC rating of 25. Sound wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up.
- b. Enclose the drilling rig floor with STC-25 rated acoustical barrier blankets. The blankets height shall be a minimum of 10 ft above the drilling rig floor and have a closable panel at V door, which shall be closed except when running casing, pipe, tubing or logging.
- c. To reduce sound from the drilling rigs sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west property line.
- d. The stabbing platform on the rigs derrick shall be enclosed with STC-25 rated acoustical blankets.
- e. To mitigate the drilling rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.
- f. Position all ancillary noise generation equipment away from the nearest critical receptors when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.
- g. Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.
- h. Implement PXP "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.
- i. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling activity.
- 8. Drilling operations may be conducted seven days per week on a 24-hour basis, including any nationally recognized holiday. Drilling operations shall be completed within 36 months from the effective date of this determination.
- 9. The applicant shall permanently post at all of the site's entry gates a direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem. A call log shall be maintained including date and time of call and

- subject, and date and time of response and action. Said log shall be made available at the request of the Zoning Administrator.
- 10. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily.
- 11. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
- 12. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 13. All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area.
- 14. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the

authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after MARCH 28, 2006, 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 www.lacity.org/pln. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street, 4th Floor Los Angeles, CA 90012 (213) 482-7077 Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251 Van Nuys, CA 91401 (818) 374-5050

The time in which a party may seek judicial review of this determination is governed by California Code of Civil Procedure Section 1094.6. Under that provision, a petitioner may seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, only if the petition for writ of mandate pursuant to that section is filed no later than the 90th day following the date on which the City's decision becomes final.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Zoning Administrator who acted on the case. 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, the report of the Zoning Analyst thereon, the statements made at the public hearing on January 19, 2006, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

1. The site, known as the Murphy Drill Site, part of the Las Cienegas oil field, is located on a slightly sloping, 3.25 acres, irregular-shaped property with a frontage of 323 feet on the south side of Adams Boulevard, between Cimarron Street to the west, and Manhattan Place to the east. The Drill Site is classified in the [Q]R4-1-O and [Q]R3-1-O Zones, and within Urbanized Oil Drilling District Nos. U37 as established in 1959 by Ordinance No. 114,701. The site is enclosed with a 6-foot high concrete block wall which is set back from Adams Boulevard approximately 25 feet. The property is accessed through a gate and driveway from Adams Boulevard in the northwest corner of the site. Along 27th Street, the property is enclosed by a Code allowed 3-1/2-foot high chain link fence. Set back 270 feet from 27th Street, a 12-foot high retaining wall encloses the back of the drill site. The site is improved with tanks, cellars, mud pits, pumps, generators, a compression shed and an office building, all located in the R4-zoned portion of the site. The owner of the fee underlying the drill site is The Roman Catholic Archbishop of Los Angeles. Brown PXP Properties, LLC acquired the leasehold rights to the entire site from Bentley-Simonson, Inc. The Applicant, PXP, is the leaseholder's authorized agent under an agreement entitled "Contract Operator and Service Agreement" dated May 31, 2005.

The nearest residential uses are located to the east of the site, on property zoned [Q]R4-1-O developed with a two-story multiple-family dwelling complex, and on the south side of 27th Street, where properties are located in the RD2-1-O Zone and developed with one- and two-story single-family dwellings and apartment buildings.

A review of the past record and information attached to the file indicates that oil drilling and oil production have occurred on the site since its first being authorized to operate at this location on April 5, 1961 under ZA Case No. 15227, subject to 24 conditions. Subsequent cases have also regulated oil production on the property, mainly addressing the need for occasional drilling or re-drilling of new or existing wells. The last such submittal was approved by the Zoning Administrator on August 1, 2003 to permit the re-drilling of two oil wells. On April 15, 2005, the Zoning Administrator determined that the use of the property posed no significant nuisance to adjoining or neighboring properties and approved plans to allow the continued use of the property for the purpose of oil drilling operations, after a public review of the conditions of operation pursuant to Council motions dated April 13, 2004, in response to resident complaints of oil fumes and noise.

The applicant is now proposing to re-drill three Class "A" wells, including the conversion of two Class "B" wells, from U-37 to be bottomed as follows: M-2RD1 in U-36, M12RD1 in U-37, and M-14RD2 in U-82.

In 1959, under Ordinance No. 114,701, establishing Urbanized Oil District U-37, the City Council authorized the Zoning Administrator to permit five wells to be drilled from the controlled drill site in U- 37 and to bottom under U-37 or adjacent oil drilling districts. The number of wells could be increased to a maximum of 38 at the discretion of the Zoning Administrator. Oil drilling districts U-36 and U-82 are immediately adjacent to the controlled drill site and all existing wells bottomed under U-36 and U-82 are drilled from the Murphy Drill Site. At present, there are twenty-seven (27) wells drilled from the Murphy Drill Site.

Each of the proposed redrills will be active producers--Class "A" wells. One well is proposed to bottom in each of three Oil Drilling Districts, namely U-36, U-37 and U-82. One well is proposed to be drilled in two stages. Two wells are currently Class "B" injectors.

a. Redrilling of One Class "A" Well

Of the 27 wells drilled from the Murphy site, eleven (11) are bottomed in U-37, nine (9) are producers and two (2) are injectors. An additional injector well is bottomed on the boundary line between U-37 and U-8I. The applicant is requesting the authority to redrill Well # M-12, which is currently bottomed in U-82, as Well # M-12RDI. Well # M-12 is currently an active producer but is not performing satisfactorily. This change will not alter the total number of wells drilled from U-37, but will increase the number of wells bottomed in U-37 by one while also reducing the number of wells bottomed in U-82 by one.

b. Redrilling and Conversion of Two Class "B" Wells

Ourbanized Oil Drilling District No. U-36 was established by Ordinance No. 114,700, which authorized the Zoning Administrator to permit drilling from the adjacent controlled drill site in U-37 (the Murphy Drill Site). Said Ordinance does not contain an express limitation on the number of wells that the Zoning Administrator may permit to bottom in U-36. The Zoning Administrator authorized eight wells in ZA Case No. 15890 and authorized resumption of drilling operations for an additional four (4) wells in ZA Case No. 19951. At present, there are four (4) producing wells and three (3) injector wells bottomed in U-36. The applicant is requesting the authority to redrill Well # M-2 as M-2RDI. Well # M-2 is currently a Class "B" injector well bottomed in Oil Drilling District No. U-38. The applicant requests the authority to convert this well to a Class "A" producing well and bottom it in District No. U-36.

Well # M-2RDI is projected to bottom, ultimately, at a measured depth of 9,649 feet, approximately. However, the applicant requests the authority to initially drill # M-2RDI to a measured depth of 4,651 feet,

approximately, and to perforate the casing to test the well before continuing drilling operations. Accordingly, the Proposal Report for Well # M-2RD1 shows two targets. Because of the need to test the well's production capability at the 4,651 foot depth, drilling operations will take place in two stages with a delay between the two stages. Accordingly, the applicant requests the authority to drill for 21 days for each stage of drilling and requests the authority to complete the second stage any time within two years from the date of commencement of any drilling authorized pursuant to this application.

Urbanized Oil Drilling District No. U-82 was established by Ordinance 0 No. 121,727, which authorized the Zoning Administrator to permit a maximum of eight (8) wells thereunder to be drilled from the adjacent controlled drill site in U-37 (the Murphy Drill Site). By Ordinance No. 129.822, the City Council amended U-82 to insure that all wells bottomed thereunder are drilled from outside U-82. One (1) well was permitted in ZA Case No. 16182 and the Zoning Administrator authorized resumption of drilling operations for an additional four (4) wells in ZA Case No. 19951. In Z.A. Case No. 16218, seven (7) additional wells were permitted for a maximum of eight (8) wells total as of 1962. Currently, there are six (6) wells bottomed in U -82. Five are active producers and one, M-14RD, is an idle injection well on the boundary line between U-82 and U-37. The applicant requests the authority to redrill Well # M-14RD as # M-14RD2 and to convert it from a Class "B" injector well to a Class "A" producing well. This will not change the total number of wells in U-82. Well # M-14RD is included in the applicant's count of wells in District U-82. In this application, Applicant is also requesting to redrill M-12, which is currently bottomed in U-82 and, as proposed, will bottom in U-37. Therefore, the total number of wells that will remain in U-82, after drilling operations are completed, will be five active producers and no injectors.

c. Clarifications

Condition No.4 (Landscaping). Condition No. 4 was imposed when the drillsite was originally authorized, at a time when the site was enclosed with nothing more than a chain-link fence. It was not certain whether this site would prove economically viable and the condition itself implies that it was intended to be a temporary landscaping measure. The drillsite is now a mature site with substantial landscaping which is in keeping with the surrounding neighborhood. The large trees which were requested to be preserved on the East side of the premises appear to still be in place. A concrete block wall now surrounds the entire working area and the working area is no longer visible from outside the drillsite. The type of additional planting that were contemplated in the original condition were never ordered by the Zoning Administrator and are no longer desired by the neighbors. Specifically, the "Washingtonian, Palms or Canary Island pines" referenced in the condition are

expressly not desired by the neighbors. Accordingly, Condition No. 4 is obsolete and needs to be replaced.

After consultation with the Gramercy Neighborhood Council, United Neighborhoods Neighborhood Council (UNNC) and members of Councilman Parks' office, PXP agreed to revise Condition No. 4 as now shown in this approval.

Condition No. 9 (traffic access and parking): This condition was originally imposed before the drillsite was fully developed and at a time when it had only chain-link fencing. It was not then known whether this site would develop fully. Presently, the active drillsite area is surrounded by a concrete block wall and there are landscaped buffers on the East side and fronting on 27th Street. As it is presently written, Condition No. 9 is outdated and should be modified. Additionally, in accordance with the requests of the Gramercy Neighborhood Council and Councilman Parks office, and to address access and parking issues, Condition No. 9 is revised as included in this approval.

Condition No. 13 (Number of wells and bottom hole lirnitations). As originally drafted, Condition 13 limits the total number of wells that can be completed from the Murphy Drillsite to five, as permitted by the ordinance establishing the oil district, further provides that said five wells must be bottomed in Oil Drilling District U-37, and makes numerous references to the "Chief Zoning Administrator."

The applicant argues that "Ordinance No. 114,701, adopted by the City Council on October 6, 1969, expressly authorized 38 Class "A" producing wells to be completed on the Murphy Drillsite. Ordinance No. 114,700, adopted by the City Council on October 6, 1969, expressly authorized use of the site for directional drilling into Oil Drilling District U-36. Ordinance No. 121,727, adopted April 3, 1962, authorized use of the site for directional drilling into Oil Drilling District U-82. Similar ordinances have been adopted over the years with regard to other adjacent Oil Drilling Districts. Accordingly, to the extent that Condition No. 13 restricts the bottom-hole location it has been superseded by action of the City Council and should be eliminated or modified to conform to the City Council's approvals.

In addition, the various Plan Approvals over the last 37 years have approved total of 27 wells on the Murphy Drillsite, leaving an additional 11 wells still authorized by the City Council. Accordingly, PXP requests that Condition No. 13 be modified" to reflect the approval of 38 wells.

This request, while clearly understood, is not approved inasmuch as the original ordinance approves 5 wells, up to 38 wells, subject to review by the Chief Zoning Administrator. Over the years, reviews have allowed, as stated by the applicant, an increase in the number of wells as well as modification of the location of their bottom hole. However, the intent of the ordinance is clear that each request must be reviewed by the Chief Zoning Administrator

(who following a standard policy utilizes his/her authority to have a Zoning Administrator review the matter). A change of this procedure would necessitate a change of language of the ordinance, subject to a legislative action, while each review can be effected under quasi-judicial authority of the Zoning Administrator. The Zoning Administrator does not have the authority to modify the ordinance. Besides, considering the concerns of the community and the ongoing need for improved mitigation measures, such review proves necessary, revealing the well thought intention and perspective of the original ordinance.

Condition Nos. 7, 8, 14 and 22 (production facilities & pumping units):On March 12, 1992, February 3, 1993, and June 23, 1993, the Zoning Administrator, deleted Condition No. 7. Thereafter, on August 1, 2003, in connection with the last Approval of Plans for re-drilling of two wells, the Zoning Administrator reinstated all the original conditions. It does not appear from the record that there was any consideration given to the fact that Conditions No. 7, 8, 14, and 22 had previously been deleted or amended by prior actions of the Zoning Administrator. It appears, therefore, that the reinstatement of these original conditions was mere boilerplate language added to the August 1, 2003 Approval of Plans in error.

The applicant seeks clarification of this issue and confirmation that Condition Nos. 7, 8, 14 and 22 no longer govern ongoing operations at the Murphy drillsite.

As originally imposed, Condition No. 7 regulated soundproofing and camouflage of the wooden derricks when the site was enclosed by a chain-link fence. The site is now fully enclosed with a concrete block wall and only portable drilling rigs are used and then removed from the site.

Condition No. 8 imposed a 35-foot setback distance for derricks and other equipment. With the exception of the portable drilling rig, all other permanent buildings and equipment were installed on the site before the applicant took possession. The applicant believes that the equipment installed is in compliance with the setback distance or was installed after Condition No. 8 was deleted in 1992.

Condition No. 14 required that the pumping units be place in pits below surface level. The existing pumping units comply with Subsection F Condition 19, which was added to the conditions in 1992 and 1993 to replace this Condition No. 14.

Condition No. 22 required the removal of all equipment not necessary for production after the completion of drilling operations and governed maintenance of the production facilities. Condition No. 22 was deleted in 1992 and 1993 and replaced by Subsection F Condition No. 19.

The Zoning Administrator agrees with the applicant that it is doubtful that the 2003 action specifically reinstated conditions previously deleted. Usually such language is meant to include the conditions of the original grant and all modifications thereof adopted at a later date. This interpretation is therefore hereby clarified.

- 2. The applicant intends to commence the re-drilling of three Class "A" wells, including the conversion of two Class "B" wells at the Murphy Drill Site, as detailed above. The most frequent purpose of the re-drilling is to remedy down hole problems that have developed with the wells, and more specifically when the wells are almost dry. Once they are dry, the operator of the site immediately begins re-drilling the wells at different <u>sub</u>surface sites, the surface location remaining the same. The re-drilling allows the operator to tap into other areas a few miles below the surface that will yield more oil. Without such re-drilling the wells are not fully operational. It is for this purpose that the subject request has been filed seeking terms and conditions controlling drilling and production operations.
- 3. A public hearing on the matter was held on January 19, 2006, where the applicant's representative presented the project and responded to questions of the Zoning Administrator regarding details of the proposed operation. The Chair of the Planning and Zoning Committee of the Neighborhood Council presented a brief history of drilling operations at the site, and recent reviews following nearby resident complaints, and expressed concerns as to the compliance of the applicant with the landscaping conditions which have been placed on the property throughout the years, including the maintenance of existing mature trees and the landscaping of the perimeter fences, arguing that the conditions applied to the entire property, not only the leasehold. She further commented that many of the original conditions were no longer applicable in light of technological progress. She requested that the file be left open for four months to allow an assessment of possible damage to neighbors homes, due to vibrations supposed to result from the drilling operations. She concluded that the Neighborhood Council, at its meeting of January 17, 2005 had voted to conditionally support the applicant's request. A letter dated January 19, 2006 from the Neighborhood Council was submitted recommending conditions pertaining to landscaping, noise, vibration and emission monitoring, heavy truck traffic limitation, the provision of a 24-hour attended phone number, 24-hour security, and yearly review of operations. A representative of the Council District Office spoke in support of the request, and in agreement with the presentation of the previous speaker. He encouraged the applicant to continue to communicate with the community and requested that a landscape plan be presented and implemented within six months. At the close of the public hearing, the matter was taken under advisement for a period of 30 days to allow the applicant to meet with the Council District Office staff and the Neighborhood Council, and prepare a noise mitigation program.

On February 21, 2006, the applicant submitted material showing revised conditions of approval pertaining to landscaping and traffic which were worked out in consultation with the Council District Office and the Neighborhood Council. A noise mitigation program was also provided, which has been integrated as part of this

approval under Condition No. 7. Additionally, the applicant also intends to employ state of the art drilling technology in order to minimize trip time (to run pipe into and out of the wells), typically the noisiest part of a drilling operation. Instead of a yearly plan review to monitor operations, Condition No. 14 was imposed which requires the conduct of a public hearing only in the instance of continued violations of any of the conditions of approval. This will alleviate the burden to the applicant of coming every year for a review, and at the same time provides an incentive to conduct operations in compliance with the conditions to avoid having to file for the review. All the while this procedure provides the community with a leverage tool to ensure the proper conduct of operations on the property in relation to the surrounding neighborhood.

The applicant has been drilling on the site since the early 1960s in accordance with numerous prior Zoning Administrator approvals. The proposed re-drilling will be conducted in compliance with those approvals and any Methods and Conditions which may be applicable, including those placed on the applicant by this letter. It is a normal and necessary function of petroleum operations to re-drill from established drill sites not only to find and extract additional oil reserves or to correct subsidence problems, but to correct extraction problems which may occur from time to time. As such, it can be found that the requested re-drilling of the involved wells, as proposed, and conditioned, is appropriate.

- 4. The proposed re-drill program will require approximately 15 to 21 days per well to complete, working 24 hours per day and seven days per week. The applicant has 36 months to utilize this grant. All re-drilling operations will be conducted on the controlled drill site. To maintain reasonable noise levels, sound proofed state of the art drilling equipment and technology will be utilized. In addition, the applicant will attempt to minimize the amount of time spent running pipe into and out of the well (Tripping), as tripping is usually the noisiest part of the re-drilling operation, this will reduce the amount of noise generated by the proposed operation, in addition to the noise mitigation measures made part of the conditions of approval of the instant grant.
- 5. Upon completion of the re-drilling operations, production activities will be resumed under the terms and conditions of previous grants. In a time where dependence on foreign oil comes at an increasingly higher social, economical and political cost, it can be found that this approval, by encouraging and facilitating local oil production, under strict controls as to the possible impacts it may have on the immediate vicinity of the production site, will be of direct benefit to the public as a whole.

ADDITIONAL MANDATORY FINDINGS

- 6. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone C, areas of minimal flooding.
- 7. On September 2, 2005, the project was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference ENV 2005-6191-CE, for a

Categorical Exemption, Class 5, Category 23, City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 15100. I hereby adopt that action.

8. Fish and Game: The subject project, which is located in Los Angeles County, will not have an impact on fish or wildlife resources or habitat upon which fish and wildlife depend, as defined by California Fish and Game Code Section 711.2.

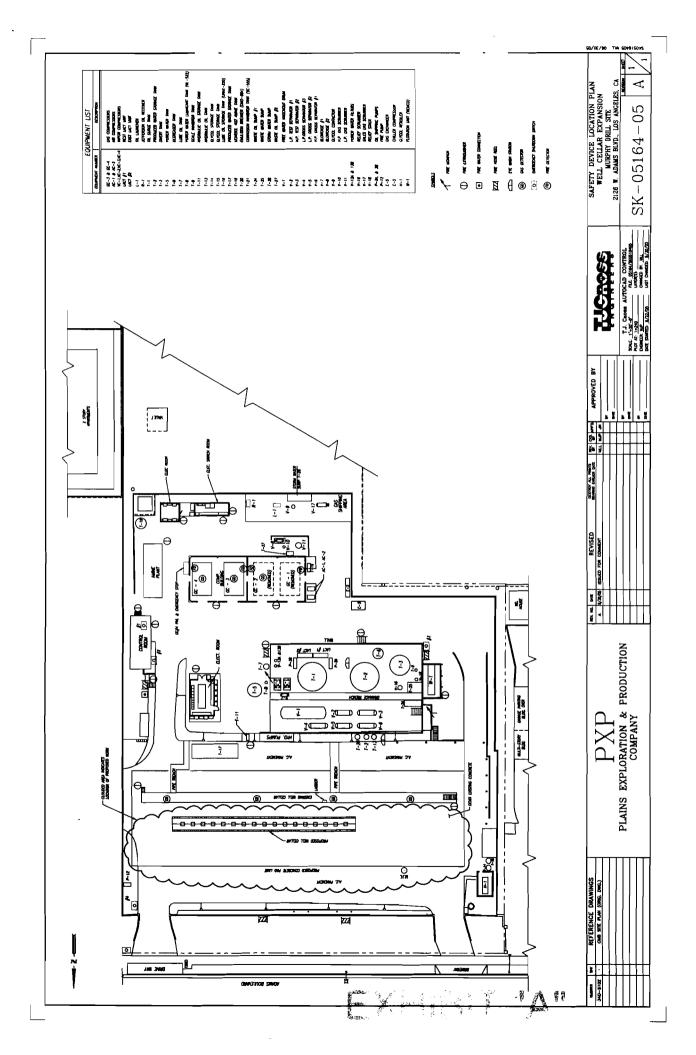
ANIK CHARRON

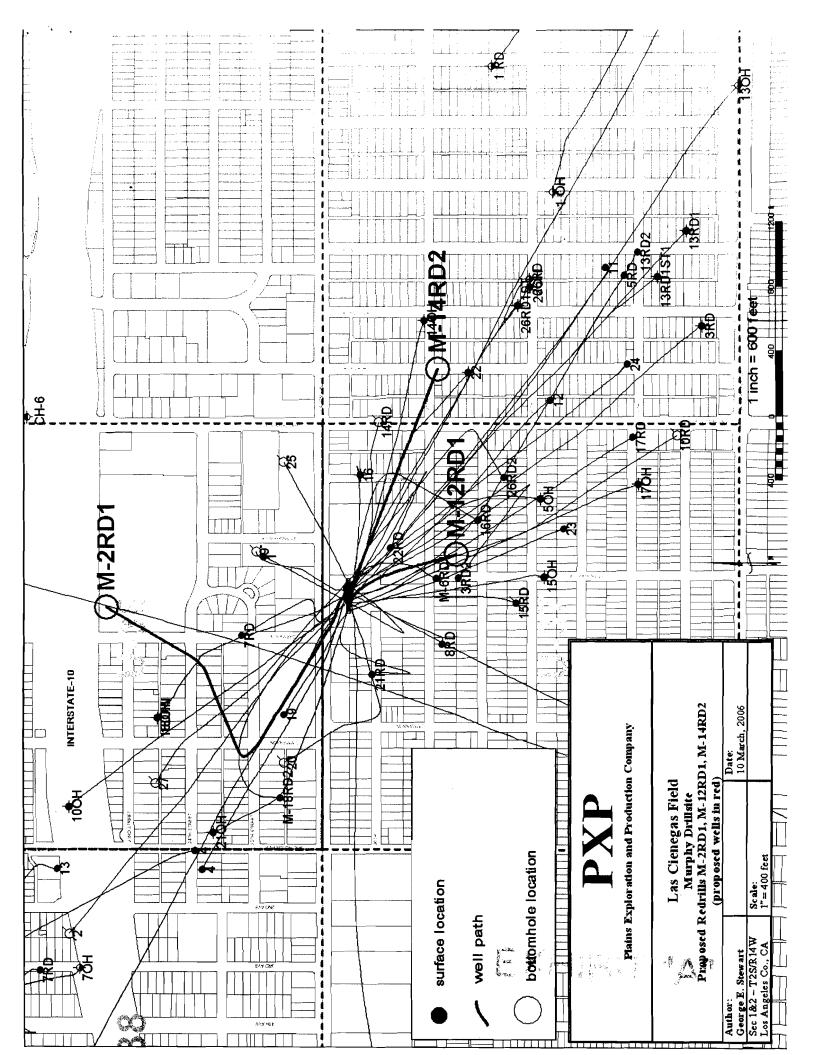
Associate Zoning Administrator

Direct Telephone No. (213) 978-1307

AC:Imc

cc: Councilmember Herb Wesson
Tenth District
Adjoining Property Owners
County Assessor
Department of Water and Power
Fire Department, Bureau of Fire
Prevention and Public Safety
Office of Administration & Research Services
STOP 130







MICHAEL LOGRANDE
CHIEF ZONING ADMINISTRATOR
ASSOCIATE ZONING ADMINISTRATORS

GARY BOOHER
PATRICIA BROWN
R. NICOLAS BROWN

SUE CHANG

ANIK CHARRON

LARRY FRIFDMAN

DANIEL GREEN

LOURDES GREEN

ERIC RITTER

MICHAEL S.Y. YOUNG

JITY OF LOS ANGELL

CALIFORNIA

DEPARTMENT OF CITY PLANNING

S. GAIL GOLDBERG, AICP DIRECTOR

OFFICE OF ZONING ADMINISTRATION

200 N. Spring Street, 7" Floor Los Angeles, CA 90012 (213) 978-1318 FAX: (213) 978-1334 www.lacity.org/PLN



ANTONIO R. VILLARAIGOSA

September 14, 2007

C. Greg Wagner (A)
Plains, Exploration & Production Co.
5640 South Fairfax Avenue
Los Angeles, CA 90056

The Roman Catholic Archbishop of Los Angeles (O) 3424 Wilshire Boulevard Los Angeles, CA 90010

Edgar Salazar (R) 5640 South Fairfax Avenue Los Angeles, CA 90056 CASE NO. ZA 15227(O)(PA4)
APPROVAL OF PLANS - DETERMINATION
OF METHODS AND CONDITIONS
2126 West Adams Boulevard
West Adams-Baldwin HillsLeimert Planning Area

Zone : [Q]R4-1-O D. M. : 123B193

C. D. : 10

CEQA: ENV 2007-2400-CE Fish and Game: Exempt

Legal Description: Lot A, Tract 9454

Department of Building and Safety

Pursuant to Section 13.01 of the Los Angeles Municipal Code, I hereby APPROVE:

methods and conditions controlling drilling and production operations for the expansion of the existing well cellar with a maximum of twelve new well slots, including the drilling of two new Class "A" oil wells, and one Class "B" well, respectively identified as M-28, M-29 and M-30 of the Murphy drill site within Urbanized Oil Drilling District Nos. U-37 and U-82 respectively, and the future drilling of nine additional wells for a maximum total of 38 well slots.

upon the following additional terms and conditions:

- 1. The existing and proposed well corridors shall be in substantial conformance with plot plans submitted and attached to the file identified as "Exhibit No. A-1 dated March 27, 2007.
- 2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:
- 3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3, 4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail.



- 4. **Modified -** Within six months of the date of effectiveness of this grant, landscaping on the site shall be improved Landscaping of the site shall be maintained as follows:
 - With respect to that portion of the drillsite south of the cement block wall and a. facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall: (3) plant Figure or climbing ivv. or similar plant-life (grown to 5 gallon size containers) along the South facing facility wall; (4) spread wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and put sprinklers on timers to insure proper maintenance of the grassy area; (7) install new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the East fence by painting it; (9) install meandering dry creek bed hardscape on the South parcel, utilizing recycled broken concrete foundations from PXP facilities (final placement, configuration and length dependent on pipeline easement and other site facility considerations); (10) work with 10th Council District office and Archdiocese to allow future public access.
 - b. With respect to that portion of the drillsite East of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install new/improved cyclone fencing along Adams, including raising the East facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on East wall; (4) improve wall on West side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install parking lot lighting; (7) plant ficus/climbing ivy, or similar along East and West walls to enhance its appearance (using 5 gallon size container plantings); (8) install drip irrigation on new plantings; (9) install sprinkler timers.
 - c. A yearly review of the landscaping shall be conducted by the applicant with the Council District Office and the United Neighborhoods Neighborhood Council.
- 5. That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing a parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drillsite, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees and overflow parking for The Athletic Club. Parking on the East side of the drillsite, outside of the enclosed area shall not be used for heavy trucking operations or staging or storage of any. All such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust, or other materials which would produce dust in the use of said facilities.

6. Modified - As further amplification of Condition No. 49 of Section 13.01-F of the Municipal Code, except for actual drilling and production operations, which may be conducted 24 hours a day, seven days a week, no work shall be conducted on the property between the hours of 7 p.m. of one day and 7 a.m. of the following day or on Sundays. While actual drilling operations are being conducted between the hours of 7 p.m. of and 7 a.m., the applicant shall operate its facility in "Quiet Mode". "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency purposes only. The applicant shall conduct on-site meetings to inform all personnel of guiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergent situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversized/overweight load) truck deliveries shall be permitted from 7 a.m. to 9:30 p.m., seven days a week on week days, none during week-ends and holidays. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility. If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parked within the facility is scheduled to leave the facility within 15 minutes. It is noted that The maximum number of heavy truck deliveries anticipated allowed for moving the drilling rig on and off the premises is shall not exceed 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the maximum number of heavy "permitted" truck deliveries per day (week days only, none on week-ends and holidays) shall be limited to a maximum of five ten. The number of "non-permitted" truck deliveries per day (week days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-ends and holidays only) shall be limited to a maximum of five.

The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy truck traffic will commence related to moving the rig in for the drilling or re-drilling of wells.

- 7. The applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:
 - a. **Modified** Erect a 30-foot high blanket sound wall on the west side of the drilling rig at the Murphy drilling site (west side property line), with the layout and wall lengths determined after the drilling rig and equipment positioning has been established. Install the sound wall as close as possible to the drilling rig

and associated equipment with no gaps or openings in the walls. The sound wall material should have a minimum STC rating of 25. Sound wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up. The sound wall shall not be maintained for more than 120 continuous days. Should unforeseeable mechanical problems warrant the maintenance of the sound wall for a period exceeding the 120 continuous days, the applicant shall notify the Zoning Administrator and Council Office, and inform the owners and occupants of surrounding property of the reasons for and estimated duration of the delay in the dismantlement of the wall.

- b. **Deleted** Enclose the drilling rig floor with STC-25 rated acoustical barrier blankets. The blankets height shall be a minimum of 10 ft above the drilling rig floor and have a closable panel at V door, which shall be closed except when running casing, pipe, tubing or logging.
- c. To reduce sound from the drilling rigs sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west property line.
- d. The stabbing platform on the rigs derrick shall be enclosed with STC-25 rated acoustical blankets.
- e. To mitigate the drilling rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.
- f. Position all ancillary noise generation equipment away from the nearest critical receptors when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.
- g. Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.
- h. Implement PXP "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.
- i. To ensure adequate sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling activity.
- 8. **Modified -** Drilling operations may be conducted seven days per week on a 24-hour basis, including any nationally recognized holiday. Drilling operations for the first three wells identified in the grant clause of the instant determination shall be completed within 36 months from the effective date of this determination. The drilling for the following nine wells as hereby authorized shall be subject to a review of plans by the Zoning Administrator, without a public hearing, for the purpose of updating the record with the well identification and path. None of the wells hereby authorized shall be engaged in a production mode until the vault is complete.

The first three new wells may be drilled prior to the construction of the new well (vault) cellar using temporary cellar rings in substantial compliance with the "Ring Cellar Schematic" and the "Construction Plan: Well Cellar Rings" attached hereto (Exhibit "B"), subject to any permitting requirement of the Department of Building and Safety and the Department of Oil, Gas and Geothermal Resources.

Once these three wells have been completed they will be shut so that the permanent well cellar can be constructed in compliance with plans approved by this grant (Exhibit "A"). During construction of the permanent well cellar, the temporary cellar rings shall be removed and the cellar shall be incorporated in the permanent well cellar.

- 9. The applicant shall permanently post at all of the site's entry gates a direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem. A call log shall be maintained including date and time of call and subject, and date and time of response and action. Said log shall be made available at the request of the Zoning Administrator.
- 10. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily.
- 11. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
- 12. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
- 13. All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area.
- 14. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01-C (Plan Approval 12.24-M \$1,898 or as in effect at the time of filing), the purpose of which will be to hold a public hearing to review the applicant's compliance with and the effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

TRANSFERABILITY

This authorization runs with the land. In the event the property is to be sold, leased, rented or occupied by any person or corporation other than yourself, it is incumbent upon you to advise them regarding the conditions of this grant.

VIOLATIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code."

Every violation of this determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The applicant's attention is called to the fact that this grant is not a permit or license and that any permits and licenses required by law must be obtained from the proper public agency. Furthermore, if any Condition of this grant is violated or if the same be not complied with, then the applicant or his successor in interest may be prosecuted for violating these Conditions the same as for any violation of the requirements contained in the Municipal Code. The Zoning Administrator's determination in this matter will become effective after OCTOBER 1, 2007, 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 www.lacity.org/pln. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street, 4th Floor Los Angeles, CA 90012 (213) 482-7077 Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251 Van Nuys, CA 91401 (818) 374-5050

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.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this determination must be with the Zoning Administrator who acted on the case. 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.

INDEMNIFICATION

The applicant shall defend, indemnify and hold harmless the City, its agents, officers, or employees from any claim, action, or proceeding against the City or its agents, officers, or employees to attack, set aside, void or annul this approval which action is brought within the applicable limitation period. The City shall promptly notify the applicant of any claim, action, or proceeding and the City shall cooperate fully in the defense. If the City fails to promptly notify the applicant of any claim action or proceeding, or if the City fails to cooperate fully in the defense, the applicant shall not thereafter be responsible to defend, indemnify, or hold harmless the City.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, the report of the Zoning Analyst thereon, the statements made at the public hearing on July 23, 2007, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

1. The site, known as the Murphy Drill Site, part of the Las Cienegas oil field, is located on a slightly sloping, 3.25 acres, irregular-shaped property with a frontage of 323 feet on the south side of Adams Boulevard, between Cimarron Street to the west, and Manhattan Place to the east. The Drill Site is classified in the [Q]R4-1-O and [Q]R3-1-O Zones, and within Urbanized Oil Drilling District Nos. U37 as established in 1959 by Ordinance No. 114,701. The site is enclosed with a 6-foot high concrete block wall which is set back from Adams Boulevard approximately 25 feet. The property is accessed through a gate and driveway from Adams Boulevard in the northwest corner of the site. Along 27th Street, the property is enclosed by a Code allowed 3-1/2-foot high chain link fence. Set back 270 feet from 27th Street, a 12-foot high retaining wall encloses the back of the drill site. The site is improved with tanks, cellars, mud pits, pumps, generators, a compression shed and an office building, all located in the R4-zoned portion of the site. The owner of the fee underlying the drill site is The Roman Catholic Archbishop of Los Angeles. Brown PXP Properties, LLC acquired the leasehold rights to the entire site from Bentley-Simonson, Inc. The Applicant, PXP, is the leaseholder's authorized agent under an agreement entitled "Contract Operator and Service Agreement" dated May 31, 2005.

The nearest residential uses are located to the east of the site, on property zoned [Q]R4-1-O developed with a two-story multiple-family dwelling complex, and on the

south side of 27th Street, where properties are located in the RD2-1-O Zone and developed with one- and two-story single-family dwellings and apartment buildings.

A review of the past record and information attached to the file indicates that oil drilling and oil production have occurred on the site since its first being authorized to operate at this location on April 5, 1961 under Case No. ZA 15227, subject to 24 conditions. Subsequent cases have also regulated oil production on the property, mainly addressing the need for occasional drilling or re-drilling of new or existing wells. The last such submittal was approved by the Zoning Administrator on March 13, 2006 to permit the re-drilling of three oil wells. Of note, on April 15, 2005, the Zoning Administrator determined that the use of the property posed no significant nuisance to adjoining or neighboring properties and approved plans to allow the continued use of the property for the purpose of oil drilling operations, after a public review of the conditions of operation pursuant to Council motions dated April 13, 2004, in response to resident complaints of oil fumes and noise.

The applicant is now proposing the expansion of the existing well cellar with a maximum of twelve new well slots, including the drilling of two new Class "A" oil wells, and one Class "B" well, respectively identified as M-28, M-29 and M-30 of the Murphy drill site within Urbanized Oil Drilling District Nos. U-37 and U-82, respectively, and the future drilling of nine additional wells for a maximum total of 38 well slots. Additionally, the applicant is requesting the modification of several conditions regulating the number of truck deliveries to the site, and noise mitigation measures.

Expansion of the well cellar:

Oil drilling and injection activities have been undertaken on the controlled drill site since 1965 in accordance with the terms and conditions of Case No. ZA 15227 dated April 5, 1965. Various authorities followed, with the last case of record being a determination of methods and conditions to redrill three Class A wells, said determination having been dated March 13, 2006 in Cases No. ZA 15227(O)(PA3).

The drill site is currently improved with an existing well cellar, which houses 28 well slots, of which 2 have been plugged and abandoned, 25 are in use and 1 is open, for a total of 26 available slots. The applicant is proposing to expand the well cellar to add 12 new well slots for possible future drilling operations. The addition of these new well slots will enable the facility to be developed in accordance with approval previously obtained from the City Council, which has authorized a total of 38 wells to be drilled from this site. Full building and grading plans for the proposed expansion cellar have been submitted to the Department of Building and Safety. The expansion of the well cellar was last approved in Case No. ZA 15227 on February 15, 1994, at which time the Associate Zoning Administrator found that: "construction is confined to the site with no evidence of adverse impact on the adjoining properties... there appears no need to set specific conditions for this purpose since this type of activity is normal and expected as a consequence of drill site operations." (Plan Approval dated February 15, 1994)

Similarly, the expansion of the well cellar requested in this application will be confined to the existing controlled drill site and, as conditioned, is not anticipated to result in any negative impact on adjoining properties.

Drilling New Wells

The applicant requests a determination of the methods and conditions to drill twelve (12) new wells, including both Class "A" and Class "B" wells. Three of the twelve wells are to be drilled in 2007 as shown in the following chart and depicted on the accompanying Well Path Map:

	Well Number	Oil Drilling District	Well Class
1	M-28	U-37	A (producer)
2	M-29	U-37	A (producer)
3	M-30	U-37	B (injector)

Nine Additional Wells to be Specified at a Later Date

The applicant requested that the methods and conditions for drilling an additional nine (9) wells be determined with this application. Well specific information for said wells has not yet been determined (e.g., the well paths, how many of the wells will be Class "A" wells and how many will be Class "B" wells, and where each one will bottom). Accordingly, the methods and conditions of drilling while determined at this time, are subject to submittal of well specific information and maps to the Zoning Administrator at such time as said information becomes available. The procedure will be that of a simple review of plans by the Zoning Administrator, without the need to file for a formal Approval of Plans, or the need for a public hearing. The intent of said review of

plans shall be to verify compliance of the well paths with the applicable previous approvals of number and location of wells per Urbanized Oil District.

In 1959, under Ordinance No. 114,701, establishing Urbanized Oil District U-37, the City Council authorized the Zoning Administrator to permit five wells to be drilled from the Murphy controlled drill site in U-37 and to bottom under U-37 or adjacent oil drilling districts. The number of wells could be increased to a maximum of 38 at the discretion of the Zoning Administrator. Oil drilling district U-82 is immediately adjacent to the controlled drill site and all existing wells bottomed under U-36 and U-82 are drilled from the Murphy Drill Site.

At present, there are twenty-eight (28) well slots in the existing cellar. Of these, 2 (M-14 and M-24) have been plugged and abandoned, leaving 26 existing well slots; 25 slots are in use and one slot is open. The request to drill twelve new wells will bring the total number of wells up to 38, which is the full complement of wells previously approved by the City Council.

Oil Drilling District No. U-37

Urbanized Oil Drilling District No. U-37 was established by Ordinance No. 114,701, which authorized the Zoning Administrator to permit drilling and production from a maximum of thirty-eight (38) wells to be drilled from the controlled drill site thereon and bottomed either within U-37 or adjacent oil drilling districts. There are currently twenty-five (25) wells drilled from the drill site. Of those, twelve (12) are bottomed in U-37. An additional one (1) injector well is bottomed on the boundary line between U-37 and U-81. The applicant requests the authority to drill Well # M-28 and #M-29 to

bottom in U-37. This will increase the total number of wells bottomed in U-37 to 14, well within the limit of 38 previously authorized by the City Council.

Oil Drilling District No. U-82

Urbanized Oil Drilling District No. U-82 was established by Ordinance No. 121,727, which authorized the Zoning Administrator to permit a maximum of eight (8) wells thereunder to be drilled from the adjacent controlled drill site in U-37 (the Murphy Drill Site). By Ordinance No. 129,822, the City Council amended U-82 to insure that all wells bottomed thereunder are drilled from outside U-82. Currently, there are five (5) wells bottomed in U-82. With the approval of this application, the total number of wells that will bottom in U-82 will increase to six (6).

The proposed drilling operations will require approximately 21 days per well to complete. The applicant is hereby given three years from the date of effectiveness of this grant to complete its drilling program for the first three wells. The additional nine wells will be subject of a simple plan review as detailed above.

Clarification of Existing Conditions

Condition 6 from March 13, 2006 Plan Approval:

The applicant also requests relief from Condition No. 49 of Section 13.01-F of the Municipal Code as amplified in Condition 6 of Case No. ZA 15227(O)(PA3), dated March 13,2006. The applicant argues for the need to increase the maximum number of heavy deliveries during drilling operations from 5 to 10. The applicant previously requested the maximum number of deliveries per day be set at five (5), except for the periods when the drilling rig was being mobilized and demobilized, when the maximum number of deliveries was set at twenty (20). The applicant's prior request was apparently in error and was intended to be an average of five (5) deliveries a day, not a maximum. The applicant indicates that the drilling project can be conducted with an average of 5 loads per day, except during rig mobilization and demobilization; however, to insure safety during specific operations such as running and cementing casing, the maximum loads per day should be set at ten (10).

A similar request was made for the operation of the applicant's drilling sites known as Jefferson and 4th Avenue. While the language hereby approved is not exactly that recommended by the applicant, the same language which was approved for the applicant's two other sites has been duplicated for this site to ensure consistency in the methods of operation.

Condition 7a from March 13, 2006 Plan Approval:

The applicant requests clarification of Condition No. 7a of the March 13, 2006 Approval of Plans which requires the installation of the sound wall "as close as possible to the drilling rig." More specifically, the applicant requests approval for the placement of the sound wall as depicted on the diagram in the attached sound report. The wall layout and length has been designed based on the anticipated layout of the drilling rig and associated equipment and as close to the drilling rig and associated equipment as possible, taking into consideration safety issues and fire lane distances. Due to the space limitations and configuration of the drill site, the wall layout and

location as depicted represents the best alternative for effective sound mitigation. In support of this request, the applicant submitted a report from Behrens and Associates, Inc., expert noise consultants, who have reviewed the site and designed the proposed sound mitigation system.

No opposition was received to the applicant's request, who has been implemented on the site to the satisfaction of the surrounding residents. It was further clarified, as for the Jefferson and 4th Avenue drill sites, that the sound wall is not to remain in excess of 120 days, without further notice and review by the Zoning Administrator, in consultation with the Council District Office.

Condition 7b from March 13, 2006 Plan Approval:

The applicant requests relief from Condition No. 7b of the March 13, 2006 Approval of Plans.

Condition No. 7b of the March 13, 2006 Approval of Plans provides as follows:

"Enclose the drilling rig floor with STC-25 rated acoustical barrier blankets. The blankets height shall be a minimum of 10 feet above the drilling rig floor and have a closable panel at the V door, which shall be closed except when running casing, pipe, tubing or logging."

The applicant argues that compliance with this condition raises serious concerns about worker safety as enclosing the drill floor effectively eliminates emergency escape routes for the crew. Considering that the other sound mitigation measures utilized are effective in reducing noise levels to the neighbors, the applicant requests that Condition 7b be stricken in its entirety.

Consistent with the methods of operation of the applicant's other drill sites at Jefferson and 4th Avenue, there was no objection to the deletion of this condition.

- 2. The applicant proposes the expansion of the existing well cellar and the authorization to drill an additional 12 oil wells slots up to the maximum permitted of 38 wells for the entire site. Three new wells are proposed to be drilled in 2007, the remaining nine as needed over the years, pursuant to a plan review by the Zoning Administrator, as detailed above. The purpose of new drilling is to provide for increased to new reserves of oil. The new wells will be located in the expanded cellar, and the subsurface drilling will not be visible from anywhere above ground. The new drilling allows the operator to tap into other areas a few miles below the surface that will yield more oil. Without such new drilling the number of wells available for production and/or injection is not to full capacity of the site. It is for this purpose that the subject request has been filed seeking terms and conditions controlling drilling and production operations.
- 3. A public hearing on the matter was held on July 23, 2007, where the applicant's representative presented the project and responded to questions of the Zoning Administrator regarding details of the proposed operation. A representative of the Neighborhood Council presented recommendations of the Council more particularly as it pertains to the maintenance of the landscaping at the location. A letter dated January 19, 2006 from the Neighborhood Council was submitted recommending

conditions pertaining to landscaping, noise, vibration and emission monitoring, heavy truck traffic limitation, the provision of a 24-hour attended phone number, 24-hour security, and yearly review of operations. A representative of the Council District Office expressed satisfaction at the cooperation of the applicant with the Council District Office and the residents of the immediate area to mitigate any possible negative impact resulting from the operation of the site.

It was concluded that the applicant had expanded significant efforts to communicate with the community and its representatives and implemented both a landscaping and noise mitigation program in compliance with the requirements of the previous grant. Differences of opinion emerged as comments were made regarding the need to let trees grow more freely, with less trimming, and the applicant's response to the surrounding residents who want these trees trimmed to prevent vagrants from using them as shelter, and to allow the applicant to rid the walls from graffiti. The applicant further employs state of the art drilling technology in order to minimize trip time (to run pipe into and out of the wells), typically the noisiest part of a drilling operation. Instead of a yearly plan review to monitor operations, Condition No. 14 was maintained which requires the conduct of a public hearing only in the instance of continued violations of any of the conditions of approval. This alleviates the burden to the applicant of coming every year for a review, and at the same time provides an incentive to conduct operations in compliance with the conditions to avoid having to file for the review. All the while this procedure provides the community with a leverage tool to ensure the proper conduct of operations on the property in relation to the surrounding neighborhood. No complaints were received regarding noise or vibrations.

The applicant has been drilling on the site since the early 1960s in accordance with numerous prior Zoning Administrator approvals. The proposed expansion of the well cellar and new drilling will be conducted in compliance with those approvals and any Methods and Conditions which may be applicable, including those placed on the applicant by this letter. It is a normal and necessary function of petroleum operations to drill new wells from established drill sites to find and extract additional oil reserves. As such, it can be found that the request, as proposed, and conditioned, is appropriate.

- 4. The proposed drill program will require approximately 15 to 21 days per well to complete, working 24 hours per day and seven days per week. The applicant has 36 months to utilize this grant for the first three wells. All drilling operations will be conducted on the controlled drill site. To maintain reasonable noise levels, sound proofed state of the art drilling equipment and technology will be utilized. In addition, the applicant will attempt to minimize the amount of time spent running pipe into and out of the well (Tripping), as tripping is usually the noisiest part of the re-drilling operation, this will reduce the amount of noise generated by the proposed operation, in addition to the noise mitigation measures made part of the conditions of approval of the instant grant.
- 5. Upon completion of the drilling operations, production activities will be conducted under the terms and conditions of this and previous grants. In a time where dependence on foreign oil comes at an increasingly higher social, economical and political cost, it can be found that this approval, by encouraging and facilitating local oil production, under strict controls as to the possible impacts it may have on the

immediate vicinity of the production site, will be of direct benefit to the public as a whole.

ADDITIONAL MANDATORY FINDINGS

- The National Flood Insurance Program rate maps, which are a part of the Flood 6. Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172.081, have been reviewed and it has been determined that this project is located in Zone C, areas of minimal flooding.
- 7. On May 18, 2007, the project was issued a Notice of Exemption (Article III, Section 3, City CEQA Guidelines), log reference ENV 2007-2400-CE, for a Categorical Exemption, Class 5, Category 23, City CEQA Guidelines, Article VII, Section 1, State EIR Guidelines, Section 15100. I hereby adopt that action.
- 8. Fish and Game: The subject project, which is located in Los Angeles County, will not have an impact on fish or wildlife resources or habitat upon which fish and wildlife depend, as defined by California Fish and Game Code Section 711.2.

ANIK CHARRON

Associate Zoning Administrator

Direct Telephone No. (213) 978-1307

AC:Imc

Councilmember Herb Wesson CC: Tenth District Adjoining Property Owners County Assessor Department of Water and Power Fire Department, Bureau of Fire Prevention and Public Safety Office of Administration & Research Services **STOP 130**

CONSTRUCTION CELLAR NOTES **EXPANSION**

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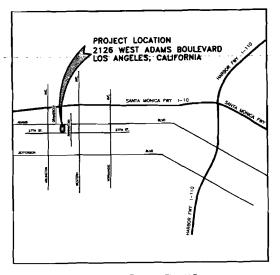
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TITLE SHEET & DRAWING INDEX - CIVIL WELL CELLAR EXPANSION MURPHY DRILL SITE 2126 W. ADAMS BLVD, LOS ANGELES, CA



DRAWING NO.	REV.	DESCRIPTION	CAD DWG. NO.
C-05249-14	8	TITLE SHEET & DRAWING INDEX - CIVIL	C0624914
C-06249-15	В	CONSTRUCTION NOTES - EARTHWORK	C0624915
C-06249-16	8	PLOT PLAN	C0624916ms
C-06249-17	В	EXCAVATION PLAN	C0624916ms
C-06249-18	В	SECTIONS AND DETAILS	C0624918



PROJECT DATA:

ASSESSOR'S PARCEL NUMBER: 5052-032-010
GRADING DESIGNATION: REGULAR GRADING
PROJECT PURPOSE: ENGINEERED GRADING FOR WELL
FINANCIAL CLASSITY: 1285-CL 1995.

ANTICIPATED CONSTRUCTION EQUIPMENT: (1) - WHEEL LOADER (CAT. 968C OR EQUIV.)
(1) - SOIL COMPACTOR (CAT. 8159 OR EQUIV.)
(1) - WATER TRUCK (3000 GAL. WHI.)

FILL QUARTITY: 850 CU. 1755.
PROPOSED HOURS OF CONSTRUCTION: 7,000M — 7,00PW
ROPOSED CONSTRUCTION START DATE: JUNE 28, 2007
PROPOSED CONSTRUCTION QUARTION: JUNE 28, 2007 — SEPT. 19, 2027

OOPW PH: 661-831-8 907 907 - SEPT, 19, 2007 OWNER'S REP. / PROJECT MANAGER:

MR. JIM NELSON
FACILITES ENGINEER
PLANES ENGOGRADH & PRODUCTION COMPANY
5640 SOUTH FARFAX AVENUE
LOS ANGELES, CA 90056
PH.: (323) 298–2223
FAX (323) 239–284

PROJECT VICINITY MAP

NOTE:

PROJECT SITE IS LOCATED WITHIN AREA OF POTENTIAL HAS GAS CONCENTRATIONS, ALL PERSONNEL: CONTRACTORS AND VISITORS.

NUMBER	\$41	REFERENCE DRAWINGS
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PROJECT

CALIFORNIA

AREA MAP

PXP
PLAINS EXPLORATION & PRODUCTION
COMPANY

V. HQ.	DATE	REVISED	DESTROY ALL PRINTS BEARING EARLIER DATE	REV.	CKD.	are D	APPROVED BY	
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TITLE SHEET & DRAWING INDEX - CIVIL WELL CELLAR EXPANSION MURPHY DRILL SITE 2126 W. ADAMS BLVD, LOS ANGELES, CA

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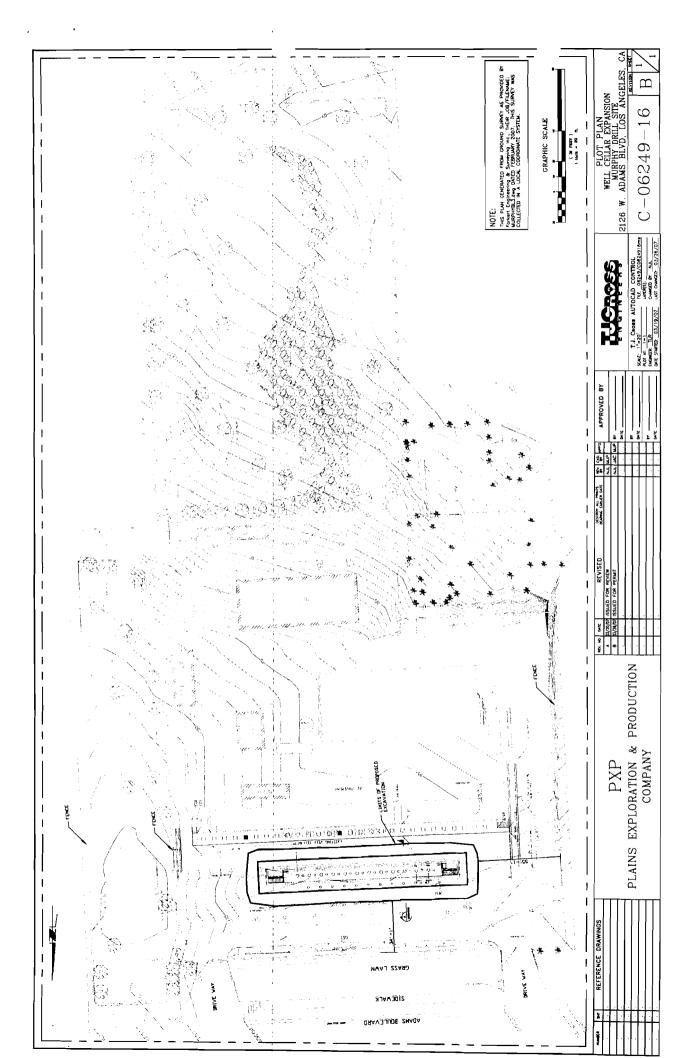
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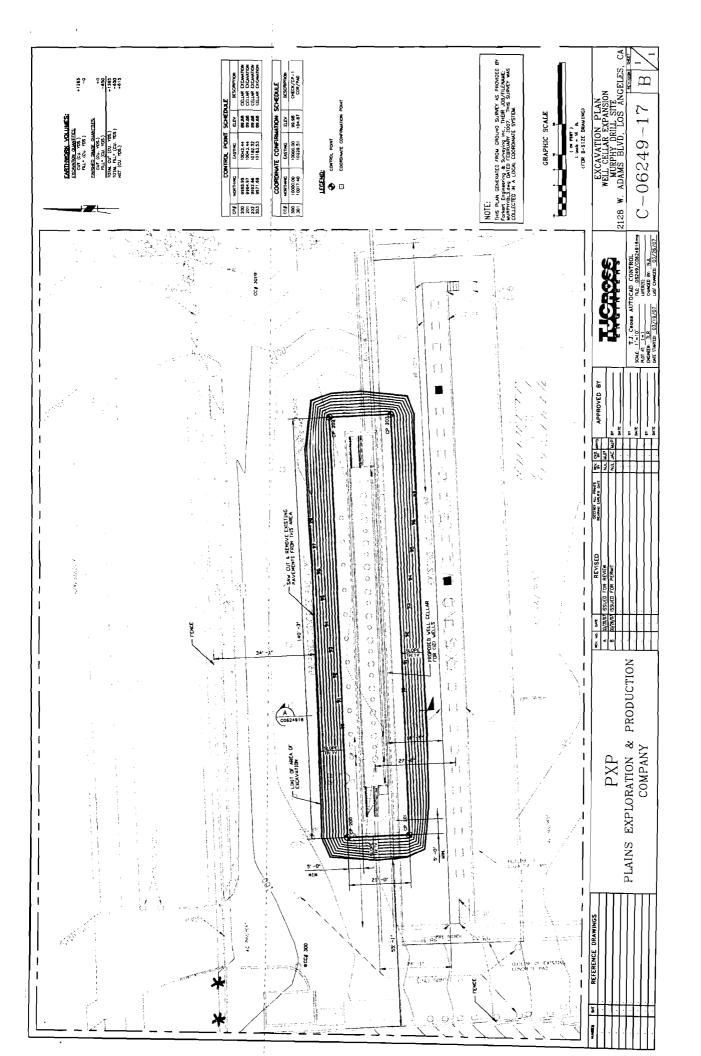
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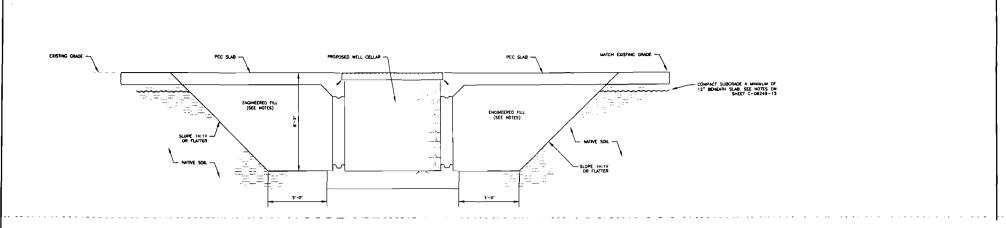
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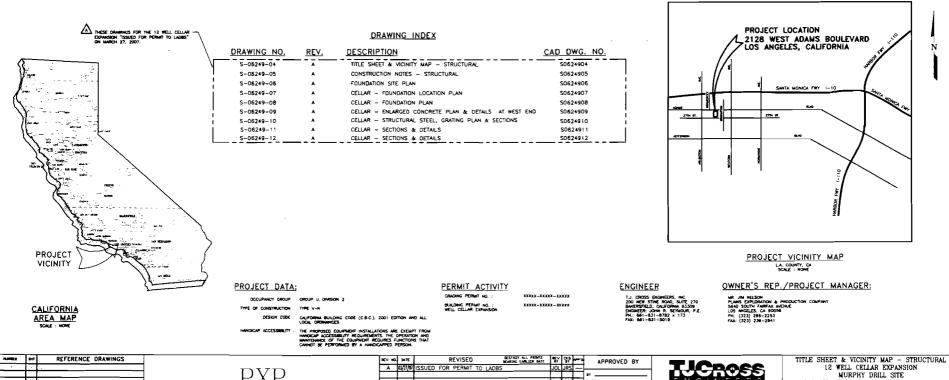
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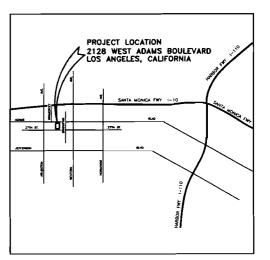
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- 3. SEE ADDITIONAL NOTES ON SHEET C-06249-15.

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TITLE SHEET & VICINITY MAP - STRUCTURAL 12 WELL CELLAR EXPANSION MURPHY DRILL SITE 2126 W. ADAMS BLVD, LOS ANGELES, CA





PROJECT VICINITY MAP LA COUNTY, CA SCALE : NONE

OWNER'S REP. / PROJECT MANAGER:

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CONSTRUCTION SPECIFICATIONS FOR PLAINS EXPLORATION & PRODUCTION COMPANY

WHEN PROMDED, REFER TO SPECIFICATION SECTION OF CONSTRUCTION OCCUMENTS FOR MORE DETAILED/COMPLETE REQUIREMENTS.

- A. GENERAL NOTES
- ALL WORK SHALL CONFORM TO THE CALIFORNIA BUILDING CODE, LOCAL CODE AND DROBNINGES, AND STATE OF CALIFORNIA CODES & LAWS, AS APPLICABLE.
- ALL WORK SHALL BE PERFORMED BY QUALIFIED PERSONNEL IN A QUALITY, WORKINGSHIP—LIKE MANAGER.
- 3. If its to be the responsibility of contractor to assure that all excanding, walls, framer, pronc, etc., shall be adequately braced and shored during all physics of constituction.
- CONTRACTOR SHALL VERBY ALL DIMENSIONS AND CONDITIONS SHOWN WITH THOSE ON THE JOB, SHOULD CONDITIONS EXIST WHICH ARE CONTRARY TO THOSE SHOW, THEN CONTRACTOR SHALL NOTIFY ENGINEER BEFORE PROCEEDING WITH THE WORK.
- NO STRUCTURAL MEMBER SHALL BE CUT FOR DUCTS, PIPES, ETC., UNLESS SPECIFICALLY DETAILED.
- MISCELLAMEDUS STRUCTURAL STEEL SHALL CONFORM TO A.S.T.M. SPEC. A-36 (Fy=36 MS), MMI.), UMILESS HOTED OTHERWISE.
- BOLTS SHALL CONFORM TO A.S.T.M. SPEC. A.-307, UNLESS NOTED OTHERMISE. SPECIAL, INSPECTION SHALL BE PROVIDED FOR HICH STRENGTH BOLTING IN ACCORDING WITH E.B.C. SEC. 1971.3 (9) BOLTS SHALL HAVE CUT INVALIDAD. INFORMED TO UNITARIZED SERIES, CLASS 2A MILTS SHALL BE AIRPOON. SPECIAL STRENGTH SHALL SHALL APPED INC. PROPED SERIES, CLASS 28: 14247, SEM. PROSECUE PROJECTOR APPED INC. PROPED SERIES, CLASS 29: 14247.
- HOLES FOR BOLTS IN WOOD SHALL BE OF THE SAME DAMETER AS BOLT PLUS 1/32" MALL HOLES FOR BOLTS IN STEED, SHALL BE OF SAME DAMETER AS BOLT PLUS 1/16" MAK, UNLESS SPECIFICALLY HOTED OR DETAILS.
- 8. FASTENERS AT STEEL MEMBERS! BOLTS, NUTS, AND WASHERS SHALL BE GALWARZED, CADMINA PLATED, STANCESS STEEL, OR COUN. RESISTANCE TO
- CONCRETE FORMIORY, PLACEMENT, CURBIC AND FINISHING SHALL BE AS DIRECTED BY ORNER AND THE APPROVED PLANS, CONCRETE WORK SHALL BE IN ACCORDANCE WITH ACI "CODES, SPECIFICATIONS AND RECOMMENDED PHACTICES."
- ALL ELECTRICAL, MECHANICAL, AND PIPING SHALL BE PER APPROVED PLAN.
 AND ARE NOT HANT OF THIS WORK, ELECTRICAL, MECHANICAL AND PIPING
 BOOKS SHALL BE PERFORMED IN ACCORDANCE WITH APPROPRIATE STATE AN
 LOCAL CODES.
- THESE OFFICIALLY SHOWN SHALL BE BY OTHERS.
- CONTRECTOR SHALL BEFORE TO SPECIFICATIONS PROSESSO FOR ADDITIONAL BECAMBRADES. THE CONTRECT DISMINES AND SEPECIALISMS REPORTED IN THE PROSESSO STRUCTURE AND DO NOT INSCRIPT THE METHODS OF CONSTRUCTION CONTRECTOR SHALL BE RESPONSEDE FOR THE ORDICTION AND SUPPRISONS OF YEAR AND SHALL BE SEPONSEDE FOR THE ORDICTION AND SUPPRISONS OF YEAR AND SHALL BE SOLUT RESPONSED. FOR THE ADDITION OF COMPLETE WAS FERNINGED.

B. SITE PREPARATION/FOUNDATIONS

- AL GRADBE, SITE PREPARATIONS, DIZEMATIONS AND RECOMPACTION SHALL CONFIDENT TO THE RECOMMENDATIONS CONTAINED WITHER THE GEOLOGICAL INVESTIGATION (SOLIS RECOVER) PREPARED TO LEARTH STITESTES SOUTHERN CAUTORIEM, (ESSLS, FOR FILE NO. LA-01132-01, DATED MARCH 14, 2007; AND ALL ADDICAMENTO.
- CONTRACTOR SHALL BE FURNISHED A COPY OF THE SOLS REPORT PRIOR TO PRIFORMING ANY WORK. CONTRACTOR SHALL BE RESPONSIBLE FOR BEING FAMILIAN WITH ALL ASPECTS OF THE SOLS REPORT AND SHALL COMPLY WITH ALL RECOMMENSATIONS THERETO.
- THE SITE IS LOCATED APPROXIMATELY 0.4 WILES SOUTH OF THE SANTA MONICA PRETINAY (I—10) AND APPROXIMATELY 2.6 MILES WEST OF THE MANDON FREEMAY (I—110). THE 3.5 ACRE FACILITY ADDRESS IS 2128 WEST ADMIS BOULEWING, LOS ANGELES, CALFORNIA.
- MATIVE OLDER ALLUMAL SOILS WERE FOUND TO CONSIST OF PREDOMINATELY MEDIUM DONES TO DENSE WELL GROUDD AND POORTY GRADED SANDS AND SLITY SANDS AND VERY STIPF TO HAND SLITS. REMEDIAL OVER—EXCAVATION AND RECOMPACTION OF THE MATERIAL IS NOT NECESSARY.

- GENERAL STE CLEARING SHOULD INCLIDE REDIOVAL OF; VECETATION, EXISTING UTILITIES, STRUCTURES INCLIDING FOUNDATIONS, EXISTING STOCKPULD SOLIS, TREES AND ASSOCIATED ROOT SYSTEMS, RUBBLE AND RUBBISH, AND ANY LOSS AND/OR SATURATED MATERIALS.
- 6. GROUND SURFACES IN THE PROPOSED BUILDING AREA SHOULD BE COMPACTED IN ACCORDANCE WITH THE FOLLOWING PROCEDURES:
 - A FXCAVATE EARTH MATERIALS TO THE DEPTH THE ROTTOM OF THE FOLINDATION
- B. THE BOTTOM OF THE EXCHANTION SHALL BY REMEMBED BY THE SOIL ENGINEER OR HIS REPRESENTANCE PRIOR TO ANY BACKFILL OPERATIONS. THE TOP TRULY (12) HICHES OF MILEBRUS, EXPOSED AT THE BOTTOM OF THE EXCHANTION SHALL BE SCHINFED, MOSPILINE COMMITTIONED AND COMPILED TO A MIRBRAND OF 80 PERCENT OF ASTM IN—1557.
- C. MOSTEM CICANATED AND IMPORTED SORS TO NEAR OPTIMUM MOSTURE OR TO A MOSTURE CONTENT CONSERTENT WITH EFFECTIVE COMPACTION AND SOIL STABILITY. COMPACT MOSTONED SORS TO A MINIMUM OF 80 PERCENT OF THE MAGMAN DESIGN OFFINED STATE TEST METHOD 0—1357, METHOD A.
- WORK TO LINES AT LEAST FME (5) FEET BETOND THE OUTSIDE EDGES OF DETEROR FOOTINGS AND TWO (2) FEET BETOND PAYMENT EDGES DECEMINED EXCENSION MAY UNDERSAME OR DAMAGE ADJACENT STRUCTURES OR UTILITIES.
- 7. SAFTIN MATERIALS DEFAMED ON SITE AND ACCORDINATE FOR USE AS DIMERENDO PLA, PROMOBED THAT ALL CRASESS, WEILDS AND OTHER DILATERIAL DORSES AND FIRST RESIDUCID, DEMORSTO PLAL MATERIAL SECULD DE PLACED BY THEN LOTHERS (LESS THAN 10 DECEMBEN SECULDADES DE PLACED BY THEN LOTHERS (LESS THAN 10 DECEMBEN SECULDADES DE LA DECEMBEN SECULDADES DE LA DECEMBENT DE PLACED DE LA DECEMBENT, COI COMPACTION TO A IMMENSION OF 100 PERCEPTI OT PLE MANDRO, SPREJONE AND COMPACTIONE PLA MATERIALS, M. APPONDIX A OF THE SOILS WASCESTAGON.
- 8. AFTER COMPLETION OF THE RECOMMENDED SITE PREPARATION (REFER TO DIMENSE PLANET FOR ENHANCE REQUIRED), THE SITE SHOULD BE SUITABLE PROPERTY OF THE PROPERTY OF STREET OF STR
- A REPRESENTATIVE FROM ESSC. SHALL BE PRESENT DURBHOR ALL SITE CLARRIC AND GRADBIC OPERATIONS TO TEST AND OBSERVE EARTHWORK CONSTRUCTION. THE SOLS DIGNESS HAS THE OFFICIAL OF RELECTION ANY COMPARTO MATCHINE, RECONDLESS OF THE DEGREE OF DOMESTICAL FINE MATCHINE S CONSIDERED TO BE UNSTRUCK OF F WISHRING TO SUPPRESENT.
- PINSHID GROUND GAMDES ADJACENT TO PROPOSED FOUNDATIONS SHOULD BE SLOPED TO PROMOTE POSITIVE FREE DRAININGE AMAY FROM THE FOUNDATIONS. DRAINING SHOULD BE PROMOTED SO THAT WATER DOES NOT PORIO NEAR FOOTNESS AND SLARES OR BEZING CHEET.
- 15. SOIL PROFILE TYPE SA SHALL BE USED PER C.R.C., 2001 FORTION
- SJUATE CONCENTRATIONS DETICATED FROM THE SOIL SAMPLES WERE LESS THAN 0.02 PERCENT AND ARE BELOW THE INSTAUM ALLOWABLE VALUES ESTABLISHED BY MUD/PM. AND CIBIC. TYPE II CRUENT WAY BE USED TO COMPENSATE FOR SULFARE REJICTIONY WITH THE COMBOT.
- 13. FOUNDATION PLANS SHALL BE MADE ANMAREE TO THE SOILS ENGINEER FOR SOILS ENGINEER SHALL DEWN'T HAT THE FOUNDATION BYOM. THE CONSISTENT WITH THE RECOMMENDATIONS AND CONCLUSIONS OF THE SOILS INVESTIGATION.
- 14. THE FINISH GRADE (GROUND SURFACE) SHOULD SLOPE AWAY FROM FOUNDATIONS AND PAYEMENT MEAS AY A LEMBAUM OF 2 PERCENT FOR A MINISTAL DISTANCE OF 3 PECT AMAY FROM FOUNDATION.
- ANY BURED STRUCTURES SWALL BE PROPERLY REMOVED AND THE RESULTING EXCANATIONS BACKFLIED WITH ENGREEMED FILL COMPACTED TO A MININGUM OF 80 PERCENT OF MAXIMUM DENSITY BASED ON A.S.T.M. TEST METHOD 0-1337.

C. SAFETY REGULATIONS

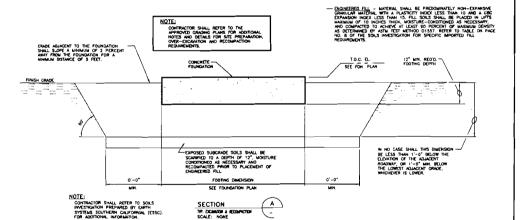
- SALETH REGULATIONS

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 MEDICATION OF MORE AND THE OFFICE AND SHALE RESIDENCE OF MEDICATION OF MORE AND SHALE RESIDENCE OF MEDICATION OF MEDICAT
- CONTRACTOR SHALL PERFORM ALL WORK IN CONFORMANCE WITH COMPAN SAFETY PROCEDURES, AS WELL AS ALL APPLICABLE STATE AND FEDERAL SAFETY REGIL ATOMS. GUIDELINES AND PUBLISHED INTERPRETATIONS.
- CONTRACTOR SHALL BE RESPONSIBLE FOR LOCATION AND CONFIRMATION OF ALL UNDERGROUND AND ON-SITE UTILITIES PRIOR TO EXCAVATION. CONTRACTOR SHALL EXPROSE PROPER CASE DURING DISCAMATION.
- 4 WHERE UTILIZED, ALL EQUIPMENT ACCESS, LADDERS, PLATFORMS, RAILINGS, ETC., SWALL CONFORM TO C.C.R. TITLE 24, ARTICLE 4, INDUSTRIAL SAFETY

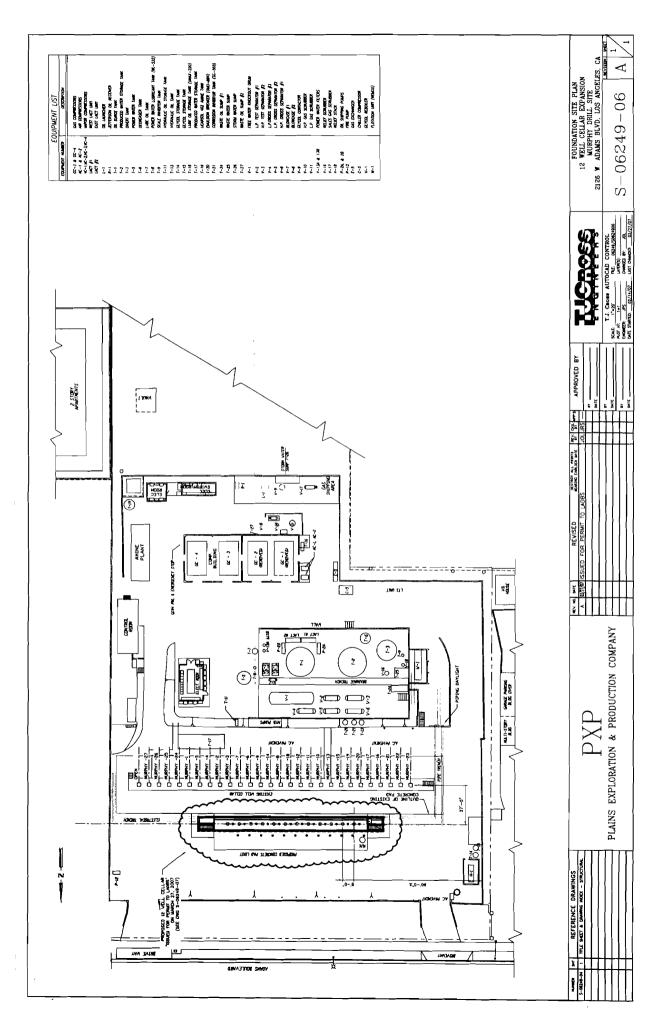
D. REINFORCEO CONCRETE

- FOUNDATION CONCRETE SHALL HAVE A MINIMUM STRENGTH OF 2500 PS @ 28 DAYS, IN ACCORDANCE WITH THE CAUFFORMS BUILDING CODE, 2001 COTTON, THE FOUNDATION CONCRETE DOES NOT REQUIRE STREAM, MERICHON, THE USE OF 3000 PS CONCRETE WITHOUT SPECIAL MERICHON, MERICHON, THE USE OF 3000 PS CONCRETE WITHOUT SPECIAL MERICHON SHOCK THE DESIGN IS FOR 2500 PS STREAM.
- . ALL REPORTEDIENT, WEIGH BOLTS MO OTHER MICHORAGES TO CONCRETE
 SHALL BE ACCUMENT, PALSED MO POSITIVELY SECURED MO SUPPORTED BY
 MO SHALL BE IN POSITION BEFORE CONCRETE PACING OR OROUTHER IS
 BEGOR.
- COMPRETE COVER FOR REINFORCING BARS SHALL BE 3" FOR COMPRETE POURED DIRECTLY ACAINST THE GROUND, 1" FOR CONCRETE EXPOSED TO THE GROUND OR WEATHER, BUT PLACED IN FORMS AND 3/4" FROM THE TOPS OF SLABS.
- CROUT, OR DRYPACK, SHALL BE OF A NON-SHRINK TYPE WITH A MINBUAL COMPRESSIVE STRENGTH OF ADDD PIG 9 28 DLYS, DRYPACK SHALL BE COMPRESSIVE STRENGTH OF ADD PIG 9 25 DLYS, DRYPACK SHALL BE THE COMPRESSIVE OF A DRYPACK STRENGTH OF ADD PIG 9 25 DLYS CROUT PLACED IN STRET ACCORDANCE WITH MANUFACTURER'S RECOMMENSATIONS.

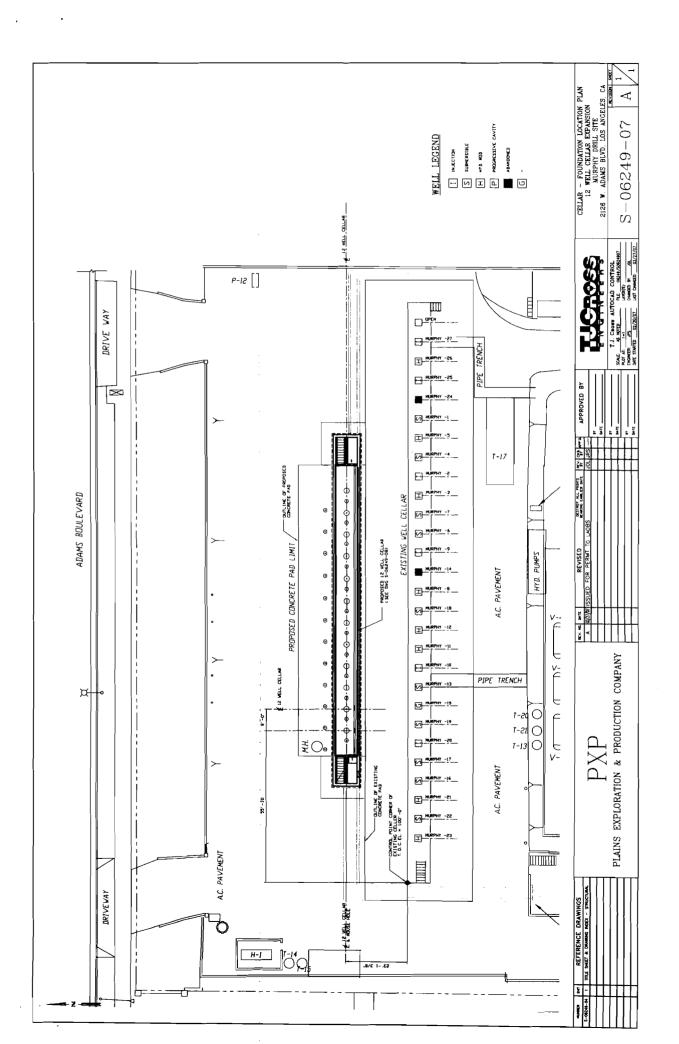


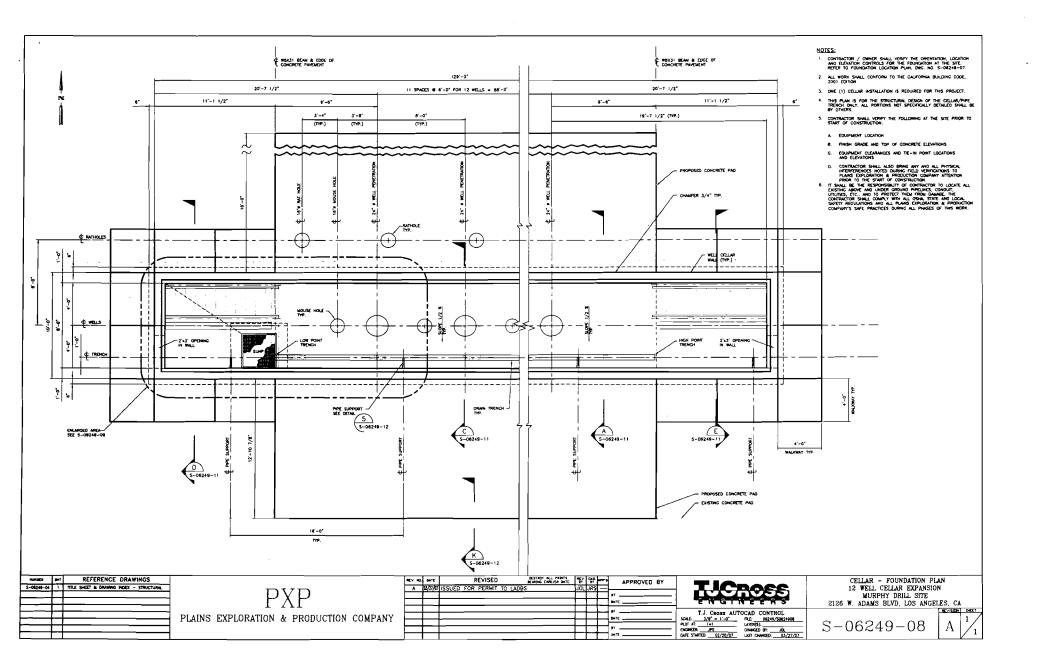
- NO SPECIAL INSPECTION.

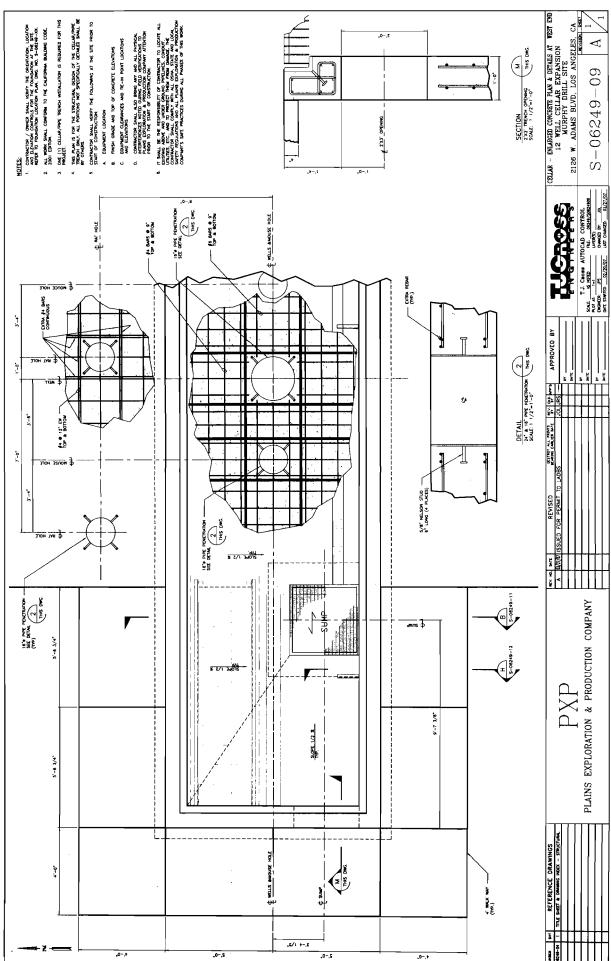
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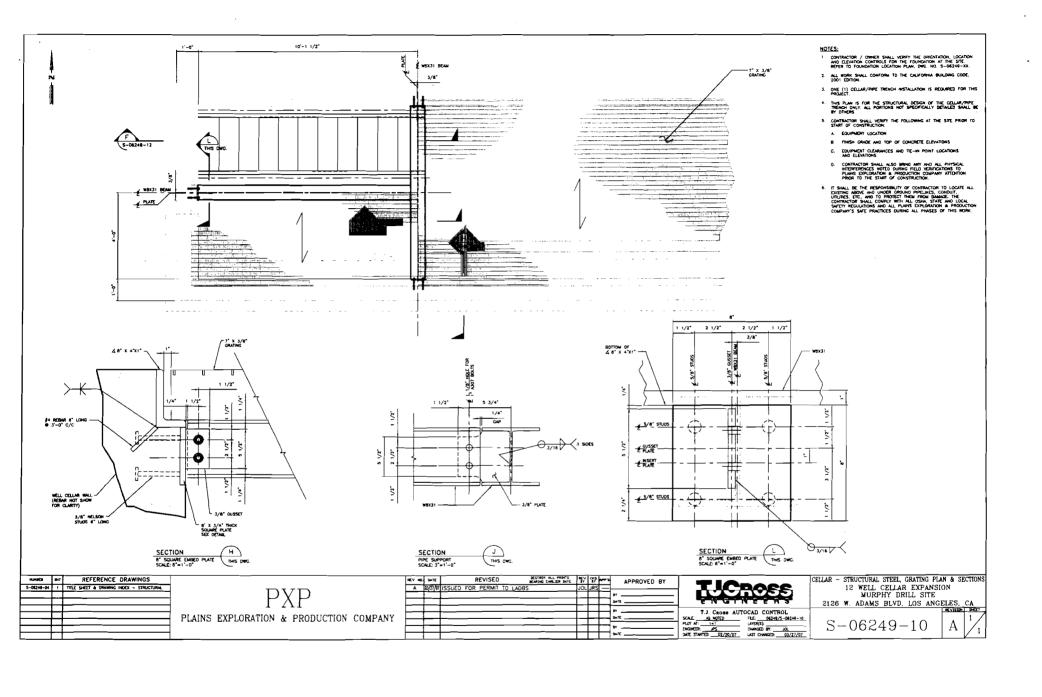
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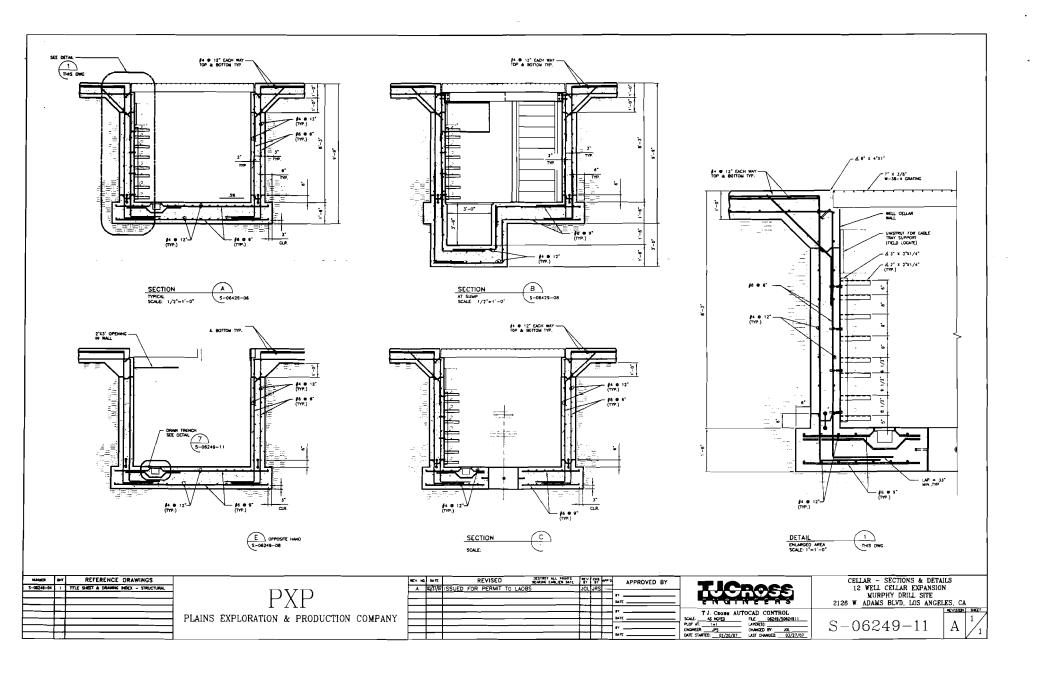


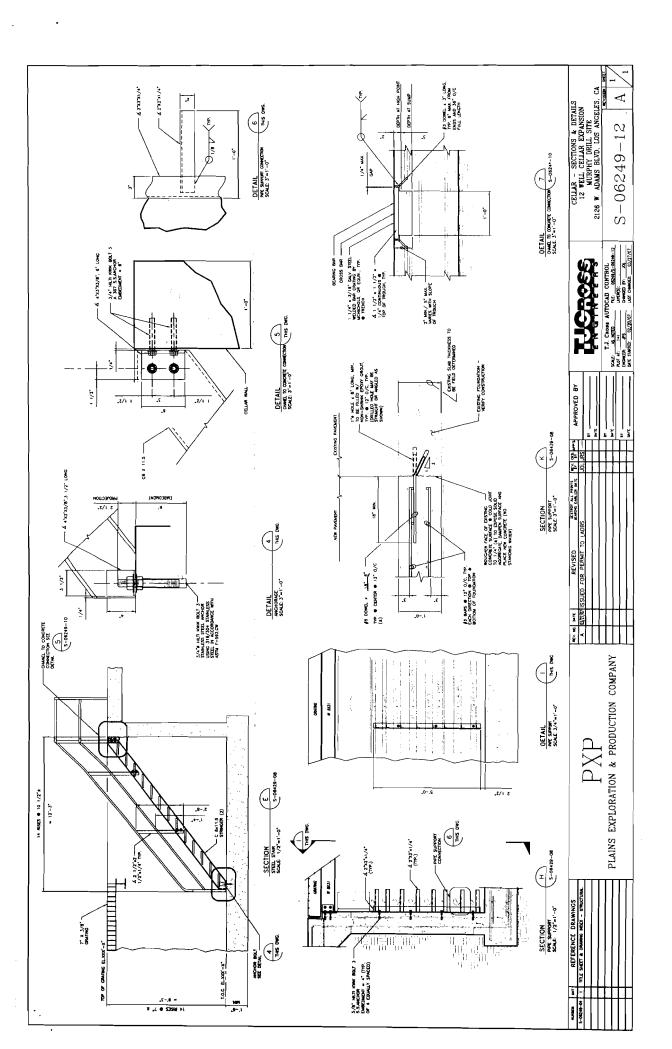




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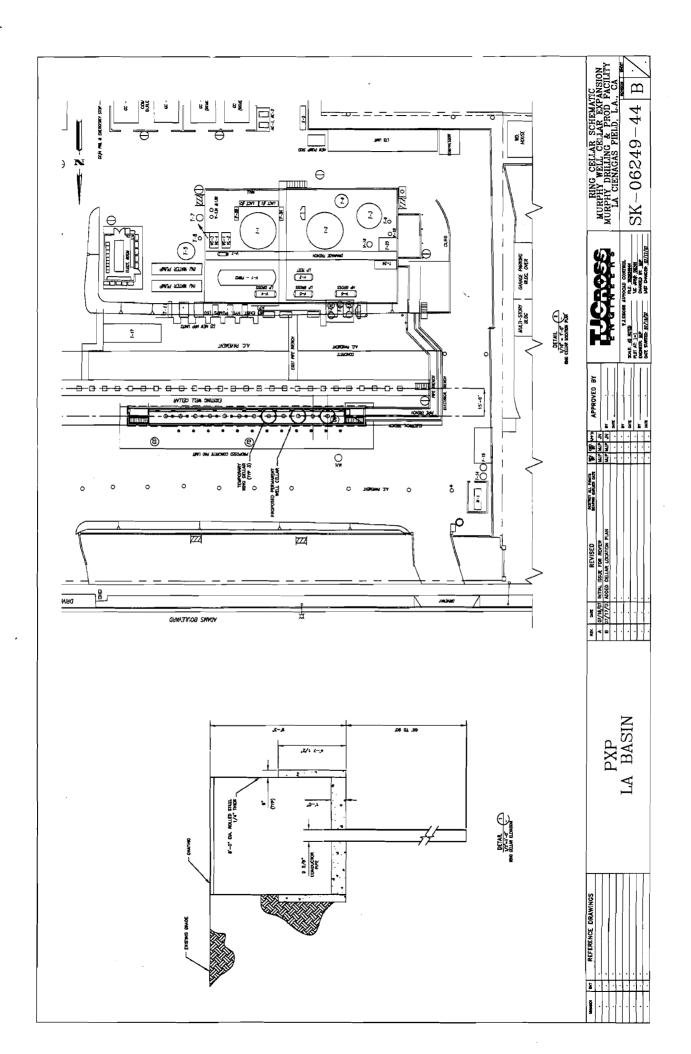


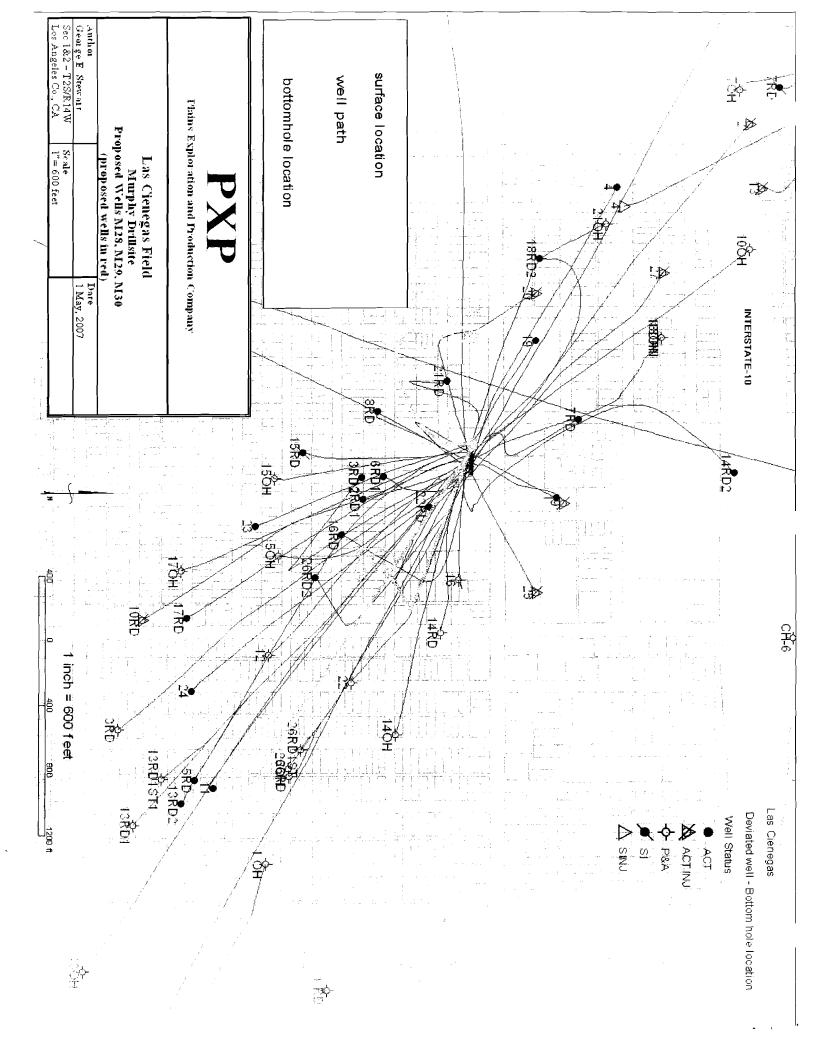


CONSTRUCTION PLAN WELL CELLAR RINGS LAS CIENEGAS FIELD – MURPHY CONTROLLED DRILLSITE

PROJECT: Construction of temporary well cellars (cellar rings) for up to three wells PXP proposes to drill in late 2007.

- Schedule: Up to three (3) cellar rings will be constructed as soon as practical after the effective date contained within the Zoning Administrator's determination, and upon procurement of all required permitting requirements. The current drilling rig schedule estimates first mobilization into the controlled drillsite commencing on October 28, 2007; actual in the ground drilling is expected to commence on November 1, 2007. The ring cellars will take approximately 2-3 days each to construct.
- Hours of Construction: Construction hours will be limited to 8am 6pm, 6 days per week.
 No work will be conducted on Sundays.
- Noise Mitigation: Noise from equipment used to construct the ring cellars is expected to be
 within limits allowed during normal daytime activity at the site; therefore no noise mitigation is
 required.
- Dust control: Construction personnel will water the site on an as-needed basis to maintain
 dust levels below those stipulated by the South Coast AQMD for construction activities.
 Driveways and parking areas shall be regularly washed down, swept or otherwise kept free of
 accumulated dirt, dust, or other materials which would produce dust.
- Traffic Control/Heavy loads: Approximately 20 cubic yards of soil per cellar will be removed from the site. This will require an average of 2 truck trips per cellar; all permitted loads within the City of Los Angeles. The frequency of trucks entering/leaving the Murphy site should not pose any undue safety risk to motorists on Adams Boulevard.
- Parking: Parking for construction contractors shall be limited to the temporary overflow
 parking area, East of the drillsite, limited to working daylight hours. No parking of contractor
 personnel will be allowed on Adams Boulevard and trucks will not be allowed to idle outside
 of the site pending entrance into the site.
- L.A. City Building Permit: Generally, ring cellars are considered by local Building & Safety
 Departments to be part of the oil well and, as such, are not permitted separately. However,
 PXP will review potential permitting requirements for ring cellars with LA City Building &
 Safety upon approval by City Planning. PXP will adhere to all construction requirements from
 the respective agencies.
- **DOGGR approval:** Should LA City Building & Safety require separate permitting of the ring cellars, DOGGR review and approval of the construction plans will be secured.







LINN K. WYATT

CHIEF ZONING ADMINISTRATOR

ASSOCIATE ZONING ADMINISTRATORS

JACK CHIANG
HENRY CHU
LOURDES GREEN
ALETA D. JAMES
JAE H. KIM
CHARLES J. RAUSCH, JR.
FERNANDO TOVAR
DAVID S. WEINTRAUB
MAYA E. ZAITZFVSKY

CITY OF LOS ANGELES

CALIFORNIA



DEPARTMENT OF CITY PLANNING

VINCENT P. BERTONI, AICP

OFFICE OF ZONING ADMINISTRATION

200 N. SPRING STREET, 7™ FLOOR
LOS ANGELES, CA 90012
(213) 978-1318
FAX: (213) 978-1334
www.planning.lacity.org

June 30, 2016

Steven P. Rusch, Vice President (A) Freeport-McMoRan Oil & Gas, LLC 5640 South Fairfax Avenue Los Angeles, CA 90056

The Roman Catholic Archbishop of Los Angeles (O) 3424 Wilshire Boulevard Los Angeles, CA 90010

L. Rae Connet (R) PetroLand Services 3625 Del Amo Boulevard, Suite 330 Torrance, CA 90503 CASE NO. ZA 15227(O)(PA5)
APPROVAL OF PLANS
2126 West Adams Boulevard
South Los Angeles Planning Area
Zone : [Q]R4-1-O-HPOZ

D. M. : 123B193

C. D. : 10

CEQA: ENV 2014-2482-CE Legal Description: Lot A, Tract 9454

Pursuant to Los Angeles Municipal Code Section 13.01, I hereby <u>DENY</u>:

methods and conditions for the installation and use of a Clean Enclosed Burner ("CEB800") and appurtenant sound attenuation wall at an existing oil drilling site located within Oil Drilling District U-37, and modification of Condition No. 49 of Section 13.01-F with respect to hours of operation during project construction to allow delivery of oversized loads between the hours of 8:00 p.m. and 6:00 a.m.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, and the statements made at the public hearing on May 12, 2015, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

BACKGROUND

The subject site, known as the Murphy Controlled Drilling Site, is located on a slightly sloping, approximately 3.25 acre, irregular-shaped parcel with a frontage of 323 feet along the southerly side of Adams Boulevard, between Cimarron Street to the west and Manhattan Place to the east, and a frontage of 165 feet along the northerly side of 27th Street. The site is zoned [Q]R4-1-O-HPOZ and located within Urbanized Oil Drilling District U-37 as established in 1959 by Ordinance No. 114,701. The present use of the site is oil

production. At the north, the drill site is enclosed with a concrete block wall which is set back from Adams Boulevard approximately 25 feet. Along 27th Street, the property is enclosed by a 6-foot high wrought iron fence with approximately 44,900 square feet (1.03 acre) of landscaped area immediately behind it. A block wall, varying in height from 21 feet to 29 feet because of topographical variations, is located a distance of 265 feet from 27th Street. In addition to the landscaped area, the site is developed with tanks, well cellars, pumps, generators, compressors, operational buildings, and a parking area. The property is accessed via a pair of gates and driveways on Adams Boulevard and via a gate and driveway on 27th Street.

The applicant is requesting an Approval of Plans to consider methods and conditions for the installation and use of a Clean Enclosed Burner ("CEB800") and appurtenant sound attenuation wall ("Sound Wall") at the subject premises, as well as the modification of Condition No. 49 of Section 13.01-F to allow for delivery of oversized loads between the hours of 8:00 p.m. and 6:00 a.m. during project construction, if such hours of delivery are required by traffic law enforcement officials. The proposed location of the CEB800 and Sound Wall installation is on the southerly landscaped portion of the site, affixed to the south side of the existing block wall. The total footprint of the proposed installation, including the Sound Wall enclosure, is 1,500 square feet (60 feet in width and 25 feet in depth). The Sound Wall will be approximately 245 feet from 27th Street at its nearest point. An 8-foot high chain link fence surrounds a portion of the Sound Wall, which will be planted with climbing vines. A 10-foot high concrete block wall and gate separates the proposed installation area from the existing landscaped area. As part of the project, the applicant proposes changes in landscaping, including new trees, shrubs, and groundcover, to accommodate and disguise the new enclosure. No new drilling of oil wells is proposed as part of the subject application.

Properties to the north, across Adams Boulevard, are zoned R4-1-O-HPOZ and developed with a library (LA84 Foundation Library) and apartment buildings. Properties to the south, across 27th Street, are zoned RD2-1-O-HPOZ and developed with single-family dwellings and apartment buildings. The adjoining property to the east is zoned [Q]R4-1-O-HPOZ and developed with an apartment complex (St. Andrews Gardens). The adjoining properties to the west are zoned [Q]R4-1-O-HPOZ and developed with a convent (Servants of Mary, Ministers to the Sick) and a healthcare center (AIDS Healthcare Foundation).

West Adams Boulevard, adjoining the property to the north, is a Major Highway Class II dedicated to a width of 100 feet with asphalt roadway, concrete curb, gutter, and parkway.

West 27th Street, adjoining the property to the south, is a Local Street dedicated to a width of 60 feet and fully improved with asphalt roadway, concrete curb, gutter, and parkway.

Previous zoning related actions on the site include:

<u>Case No. ZA 15227(O)(PA4)-1A</u> – On June 3, 2014, the South Los Angeles Area Planning Commission denied appeals from two appellants without prejudice. Based on the agreements, the parties involved agreed to on the record that any issues will be raised at the public hearing for a subsequent Plan Approval.

<u>Case No. ZA 15227(O)(PA4)</u> — On December 26, 2013, the Zoning Administrator approved the installation of the CEB800 and Sound Wall subject to specific conditions. On March 11, 2014, the Zoning Administrator issued a communication

clarifying that the determination is appealable and established a fifteen day appeal period pursuant to the provisions of Los Angeles Municipal Code Section 13.01-H.

Ordinance No. 181,769 – On June 28, 2011, the Los Angeles City Council passed an ordinance amending Section 12.04 of the Los Angeles Municipal Code to establish the Jefferson Park Historic Preservation Overlay Zone (HPOZ).

<u>Case No. ZA 15227(O)(PA4)</u> – On December 26, 2007, the Zoning Administrator approved the expansion of an existing gas plant on the facility, subject to specific conditions. Equipment additions included six vertical absorbers, a gas compressor, a recirculation pump, a heat exchanger, and sound enclosures, all manufactured off-site, to be installed on the premises.

Case No. ZA 15227(O)(PA4) — On September 14, 2007, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the expansion of the existing well cellar with a maximum of twelve new well slots, including the drilling of two new Class "A" oil wells and one Class "B" well, respectively identified as M-28, M-29, and M-30 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-37 and M-30 respectively, and the future drilling of nine additional wells for a maximum total of 38 well slots.

<u>Case No. ZA 15227(O)(PA3)</u> – On March 13, 2006, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the re-drilling of three Class "A" oil wells, including the conversion of two Class "B" wells into Class "A" wells, identified as M-2RD1, M-12RD1, and M-14RD2 of the Murphy Drill Site within Urbanized Oil Drilling District Nos. U-36, U-37, and U-82 respectively.

Case No. ZA 15227(O)(PA2) — On April 15, 2005, the Zoning Administrator approved a request for a Plan Approval pursuant to the instruction of the Chief Zoning Administrator, relative to initiating Council Motions (Ludlow-Reyes and Perry-Parks), dated April 13, 2004, in which it has been determined that the subject use poses no significant nuisance to adjoining or neighboring properties. The subject of the Council Motions was, in part, concerning resident complaints of oil fumes and noise arising from recent oil drilling operations at the existing oil drilling site at 2126 West Adams Boulevard.

<u>Case No. ZA 15227(O)(PA1)</u> — On August 1, 2003, the Zoning Administrator approved a request for an approval of plans to temporarily modify Condition No. 12 of Case No. ZA 15227 to allow the re-drilling of two oil wells on a 24-hour, seven day per week basis for approximately 40 days.

<u>Case No. ZA 15227</u> – On February 15, 1994, the Zoning Administrator approved a request for methods and conditions for the expansion of an existing well cellar at the Murphy Drill Site in order to provide additional space for the future drilling of six Class "A" oil wells.

Case Nos. ZA 15227 and 16182 — On June 22, 1993, the Zoning Administrator approved a request for methods and conditions for the re-drilling of three Class "A" oil wells identified as 26RD2, 16RD, and 5RD of the Murphy Drill Site involving Urbanized Oil Drilling District Nos. U-82 and U-37.

<u>Case Nos. ZA 15227 and 15890</u> – On January 22, 1993, the Zoning Administrator approved a request for an approval of plans to remove and distribute 366 cubic yards of dirt at the Murphy Drill Site in order to provide additional space for the redrilling of three Class "A" oil wells.

<u>Case Nos. ZA 15227 and 15890</u> – On December 29, 1992, the Zoning Administrator approved a request for methods and conditions for the re-drilling of three Class "A" oil wells identified as 10RD2, 22RD, and 21RD of the Murphy Drill Site involving Urbanized Oil Drilling District Nos. U-36 and U-37.

<u>Case Nos. ZA 15227 and 15890</u> – On February 4, 1992, the Zoning Administrator approved a request for methods and conditions for the re-drilling of one Class "A" oil well identified as Murphy No. 7 involving Urbanized Oil Drilling District Nos. U-36 and U-37.

<u>Case No. ZA 15227</u> – On July 18, 1985, the Zoning Administrator approved plans for the installation and operation of gas treating equipment to extract carbon dioxide from natural gas on property identified as the Murphy Drill Site.

<u>Case Nos. ZA 15227 and 20385</u> — On April 4, 1972, the Zoning Administrator approved plans for construction of an approximately 10 feet by 40 feet enlargement onto the easterly side of the well cellar on the Murphy Drill Site, with the new construction containing space for four additional oil wells.

<u>Case No. ZA 20385</u> – On November 25, 1970, the Zoning Administrator approved a request for methods and conditions for the re-drill of Murphy No. 18 oil well bottomed under Oil Drilling District No. 36 and for drilling of Murphy No. 22 bottomed under U-82, and for temporary relaxation of Condition Nos. 1, 3, 6, 7, 8 and 12 of extant ZA Case No. 15227.

<u>Case No. ZA 19951</u> – On September 10, 1969, the Zoning Administrator approved a request for methods and conditions for the resumption of drilling operations for oil wells to be bottomed in the involved Oil Drilling District U-37 and adjoining Districts U-36, U-38 and U-82.

<u>Case No. ZA 15227</u> – On November 14, 1966, the Zoning Administrator approved plans for alternations primarily in the way of a new door and vent in the existing electric switch house on the southerly side of the subject property.

<u>Case Nos. ZA 15227, 15891, and 15973</u> – On April 13, 1966, the Zoning Administrator approved the temporary installation and operation of an enclosed hydraulic pumping unit only for Well No. 10 on the controlled drill site.

<u>Case No. ZA 15227</u> – On April 9, 1963, the Zoning Administrator approved plans for an addition to the compressor building, a new Glycol generator and absorber installation, and a clean-up tank.

<u>Case No. ZA 16218</u> – On June 15, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-82 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16185</u> – On June 15, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-81 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16184</u> – On June 7, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 153-acre District No. U-84 for the bottoming of an exploratory oil well.

<u>Case No. ZA 16183</u> – On June 7, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 150-acre District No. U-83 for the bottoming of an exploratory oil well.

<u>Case Nos. ZA 15227 and 15937</u> – On June 1, 1962, the Zoning Administrator approved plans for the permanent production facilities, including additional gas-oil separators, a vapor compressor, tanks, gas scrubbers, and accessory buildings.

<u>Case No. ZA 16182</u> – On May 24, 1962, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-82 for the bottoming of an exploratory oil well.

<u>Case Nos. ZA 15227 and 15937</u> – On December 27, 1961, the Zoning Administrator approved plans for limited production facilities on the site such as drain and skimmer pits, gas-oil separators, relief line scrubber and well manifolding.

<u>Case No. ZA 15937</u> – On November 1, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 776-acre District No. U-36 to U-40 for the bottoming of not to exceed 16 oil wells.

<u>Case No. ZA 15912</u> – On October 2, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 158-acre District No. U-40 for the bottoming of not to exceed eight oil wells.

<u>Case No. ZA 15911</u> – On September 29, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 146-acre District No. U-39 for the bottoming of not to exceed seven oil wells.

<u>Case No. ZA 15891</u> – On August 31, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 153-acre District No. U-38 for the bottoming of not to exceed seven oil wells.

<u>Case No. ZA 15890</u> – On August 30, 1961, the Zoning Administrator approved the use of the subject drill site and use of the subsurface underneath the 160-acre District No. U-36 for the bottoming of not to exceed eight oil wells.

<u>Case No. ZA 15227</u> – On May 9, 1961, the Zoning Administrator approved plans for landscaping, camouflage for the derrick acoustical quilt, derrick, DC converter house, mud pump, and shaker house.

<u>Case No. ZA 15227</u> – On May 2, 1961, the Zoning Administrator approved plans for drilling equipment and various facilities, grading, retaining walls, masonry walls,

drainage concrete structures, drilling cellar, drilling pad, and gates on the subject property.

<u>Case No. ZA 15227</u> – On April 5, 1961, the Zoning Administrator approved the use of the subject property as a controlled drilling site not to exceed five oil wells under certain prescribed conditions and methods of operation with the understanding that additional wells may later be permitted.

Ordinance No. 114,701 – On October 6, 1959, the Los Angeles City Council passed an Ordinance amending Sections 12.04 and 13.01 of the Los Angeles Municipal Code, establishing Oil Drilling District No. U-37.

PUBLIC HEARING

A public hearing was held on May 12, 2015, and was attended by the applicant's representatives, L. Rae Connet, the applicant's attorney, approximately 100 members of the public and applicant employees and a representative of Council District 10.

The applicant's representatives stated the following:

Amy Forbes representing the applicant stated:

- Project is not related to drilling activities on the site;
- Project supports previously approved operations;
- All wells have been authorized since 1961; specifics of those were approved over time;
- The CEB is 24 feet in height;
- This is not a split project. Project's which add new machinery for the operations of the site are typically handled through a "review of plans";
- This is not an expansion of the footprint of the site. In 1961, the original site which is leased from the Catholic Archdiocese of Los Angeles was 2.83 acres in size and was described as running from West Adams Boulevard to 27th Street. There was an addition in later years which was used for a parking lot on the east side of the site. There was no restriction in any of the Plan Approvals for the site which restricted to use the area to the south of the wall which separates the upper level along Adams from the lower level adjacent to 27th;
- There have historically been buildings or uses in the landscaped area on the southern portion of the property. It is not a designated park either historically or in the Conditions of Approval for the drill site. It is part of the Archdiocese's land and was rented in its entirety for the drill site. There are pipes under the surface of the landscaped area and there are pipes which extend through the wall which separates the upper and lower section of the site. There is no public access to the landscaped area because it is a part of an active and operating oil field.

- Work has begun on the site which is to the location of the CEB. Some of the landscaping has been removed, and it is not visible from 27th Street because the work area is screened by existing trees and shrubs that are in front of the work site;
- Opponents of the proposed project have said that we are out of compliance with our permits but we believe that we are in compliance with all of our conditions both those imposed by the Zoning Administrator and those required by other agencies.
 We have not been cited by Code Enforcement agencies and are in compliance with EPA, SCAQMD and DOGGER regulations;
- Among our safety measures are fire monitor cannons which can cover any fire with foam which is the accepted substance for controlling oil fires. We can cover the entire drill site and will be able to cover the new CEB site also. We have extensive gas detection monitors and an Emergency Response Plan for both the site and the nearby neighborhood;
- The rational for installing the CEB is for redundancy in removing natural gas which cannot be either sold to Southern California Gas Company, burned in our microturbines or reinjected into the ground by our injection well. We believe that Condition No. 46 in our Conditions of Approval permit this. Condition 46 says that "proven technological improvements in drilling and production methods shall be adopted as they may become, from time to time, available, if capable of reducing factors of nuisance and annoyance." The CEB that we want to install is classified as Best Available Control Technology by the SCAQMD, it will be completely obscured from view and it will be placed at appropriate distance from adjacent residences and other uses;
- State regulations on quality of natural gas produced as a by-product of oil drilling have changed so not all of the gas produced by the on-site wells can be sold to the Gas Company. The existing volume of gas which cannot be sold to the Gas Company exceeds the capacity of our micro-turbines. The CEB cannot be located elsewhere on the site because of the height of our existing structures and regulations that will not permit us to place flames near our micro-turbines which are powered by natural gas. The height of our existing sheds is 16 to 18 feet high. The CEB is 24 feet high. We would need to take one of our existing equipment sheds out of operation, demolish it and then construct a new one as well as find a new location for the displaced use. This would be far more impactful to the area than installing the burner at the location we desire; and
- We cannot install more micro-turbines because our Department of Water and Power contract limits us to the generation of 350 killowatts of power generation.

Those opposed to the project:

Laura Myers

- The United Neighborhoods Neighborhood Council voted not to support the project.
 We are opposed to the expansion of equipment into the southerly landscaped portion of the site;
- We are opposed to the use of a Categorical Exemption for a CEQA clearance and believe that an Environmental Assessment should be filed and that a full Environmental Impact Report should be the proper CEQA clearance;
- We support the use of the CEB 800, the current BACT, but we are opposed to its location outside the wall which separates the landscaped southern portion of the site from the main drilling site. We, again, believe that an Environmental Impact Report should be processed for the project;
- We support the imposition of conditions of approval which were proposed at a series of public meetings which were noticed and were not included in the application;
- In the matter of the reading of case history, we interpret differently some of the conditions and findings for the case over time from the applicant. The location of the wall which surrounds the active drilling site with a masonry wall which hides the active portion of the site from view. The subject site is outlined in previously adopted plans with a wall which matches the existing perimeter of the masonry wall and stops at the upper level of the plateau on the site. It does not include the landscaped area facing 27th Street;
- The Jefferson Park neighborhood is located in the historic bed of the Los Angeles
 River which used to flow into the Pacific Ocean in Playa Del Rey not Long Beach.
 The upper plateau in the site is granite and differs geologically from lower part of the
 site adjacent to 27th Street;
- Trees planted in the landscaped area have died over time. The UNNC has
 requested for additional landscaping including trees in the front of the site. The
 operator should meet with all local parties to try and open the landscaped area to
 the public in this park poor area. There should be an annual landscape review
 placed in the conditions for the site;
- There are no fire fighting measures for the lower portion of the site, and it is not safe to place the CEB 800 in it;
- Three reasons have been provided for the installation of the CEB: the microturbines on the site are at the end of their useful life; for expanded oil production on the site; and for redundancy. We ask for the production of an Environmental Impact Report to address and analyze these disputed items; and

 The Historic Preservation Zone's Board does matter, and they have not been given a chance to approve the new sound wall treatment.

Michael Salman

- The appeals to the South Los Angeles Area Planning Commission on the original grant for the Gas Flare were never heard by the APC. They were settled by agreement between the applicant and the appellants;
- In 1961, the city council passed the ordinance for creating the Oil Drilling District Supplemental Use District and set up the approval of controlled site approvals. It requires that every drilling of a well has to be approved by the Zoning Administrator through a discretionary review process and a public hearing;
- They are not following procedures of abandoning wells after they cease being used and removing equipment. For instance well f-46 is not in an active condition on the site, and they are not removing equipment or replacing it. They just add more equipment to the site without removing old unused equipment;
- They currently have cogeneration electric turbines on the site which are powered by
 waste natural gas. These turbines provide some level of autonomy to the site as
 the turbines provide up to one-fifth of the electricity needed for the site. Their
 Department of Water and Power contract does not specify a 350 kw. limit. They
 can install more turbines if they wanted to. There are 1-2 megawatt facilities in the
 south bay which use waste natural gas flow;
- This project is illustrative of a pattern of errors and a revolving door of stories in the changes to the project description. The master land use application does not request expansion of work facility or relief from conditions pertaining to hours of operations. It does request a change to hours of delivery of equipment. The applicant does not require a conditional use permit. They are requesting a height exemption basically for a chimney for the flare. The micro-turbines were not approved by a Zoning Administrator as nothing was found in the case files approving them. There are a number of plan approvals with site plans but none with micro-turbines. The Code has no prohibitions for having micro-turbines. The footprint for the micro-turbines was approved but no document can be found for an application; and
- The applicant submitted the form for a Categorical Exemption for a CEQA clearance. The application stated that the burner is "not required for previously approved wells but required for environmental control and efficient operation".

Steve Peckman

Stated that this is a "densely packed neighborhood that needs green space";

- The boundaries of the drilling site were set to demonstrate respect for the surrounding community. Condition 22 of the original determination calls out for setbacks from surrounding residential uses. Condition No. 5 requires that all portions of the drilling site be enclosed within a wall. The upper level section adjacent to Jefferson Boulevard was to be the single location for the drilling operation. There have been no discussions about opening the rear, landscaped part of the site to the public;
- There are apartments directly adjacent to the proposed CEB location. They are only 35 feet away;
- 27th Street should never be used for operations or truck traffic except in an extreme emergencies;
- There are inadequate scientific or legal justifications for the installation of the burner nor are there any technical assessments available to the public about the need for it. It is unclear if the location of the CEB would impede firefighting equipment or if there is access to firefighting equipment if it is placed behind a wall downslope of the remainder of the drilling site; and
- They need to show respect for our community which we do not believe that they
 have shown. We request that the United Neighborhood Council's conditions be
 approved or the case should be denied.

Other comments in opposition:

- I support the Neighborhood Council's proposed conditions and the processing of an
 environmental impact report for the project. We are concerned that the applicant
 has changed their story on the need for the burner too many times to the point that
 they are contradicting themselves. We are concerned about the community's safety
 as there is no known evacuation plan for an emergency. The site is surrounded by
 homes, apartments and a convalescent home;
- I helped to design the open space or the park. The community has safety concerns
 as well as believing that this will set a precedent for non-oil drilling equipment being
 placed on the site. We do not want additional traffic and trucks accessing the site
 from 27th Street which is a local residential street not designed for being occupied
 or used by heavy construction vehicles;
- There has been no environmental review of the project even though it is surrounded by sensitive uses;
- The National Resources Defense Council's local office objects to the use of a Categorical Exemption for this project. We believe that the applicant is segmenting the project which is illegal under CEQA. There are permitting irregularities. We believe that the integrity of the process is key in any approval of this use on the site and believe that an environmental impact report is required so that there is full

public disclosure of the effects of the project and better information for both the decision maker and any appeal body;

Amy Forbes in Rebuttal:

- The installation of the CEB is not for replacement of any existing infrastructure. Because of a change in the rules for the quality of off-spec gas, we cannot sell as much of this gas to Southern California Gas Co. as we have in the past. We will need the CEB even if we withdrew some of our existing wells from production. We have no intention to expand our approved drilling wells with the purchase of the CEB. The CEB does have a higher internal operating temperature so we cannot place it close to the existing gas well head whereas the existing turbines operate at a lower temperature and can be closer to the well head;
- We originally thought that a review of plans for the installation of the CEB was appropriate, but we now believe that the Plan Approval process is more appropriate after the appeal of the review of plans and community outreach;
- We do not believe that the approval of the installation of the CEB triggers a CEQA
 review as the oil drilling field is a pre-existing use and the baseline would include it
 as an existing use. We are not exempting health and safety requirements as the
 installation has already been approved by the SCAQMD and the Los Angeles City
 Fire Department; and
- Testimony has been received about the drill site boundaries. The 1963 determination included the full legal description of the site which stretched from Adams Boulevard to 27th Street. The back acreage, though landscaped, does have existing infrastructure related to the drill site including both a gas and an oil pipeline. The CEB will be 55 to 65 feet from the southern property line and 90 feet from the nearest residential use.

Sylvia Lacy speaking on behalf of Council District No. 10 stated that she would like to see the case's record kept open for an additional 30 days and would like time to see if she can bring the oil company and the community together to work out a solution to this problem.

ISSUES BEFORE THE ZONING ADMINISTRATOR

CEQA CLEARANCE:

Much of the testimony and letters to the file dealt with the environmental clearance for the project. The clearance in the file is a Categorical Exemption which was refiled on February 18, 2015 based on Article III, Section 1, Class 1, Categories 2, 6 and 32, and Class 3, Category 4 of the City's CEQA guidelines. These exemptions are for Class 1, Category 2: "The operation, repair, maintenance or minor alteration of existing facilities of both investor and publicly owned utilities, electrical power, natural gas, sewage, water, telephone and mechanical systems serving existing facilities, including alteration to accommodate a specific use; Class 1, Category 6: "Adoption of safety, security, health or

environmental protection devices for use during construction of or in conjunction with existing structures, facilities or mechanical equipment, or topographical features; Class 1, Category 32: "Installation, maintenance or modification of mechanical equipment and public convenience devices and facilities which are accessory to the use of the existing structures or facilities and involve the negligible or no expansion of use; and Class 3, Category 4: "Installation of new equipment and/or industrial facilities involving negligible or no expansion of use if required for safety, health, the public convenience or environmental control". Those in opposition to the project claimed that, at the least, an Initial Study should be filed for the project and that the Initial Study should lead to the filing of an Environmental Impact Report.

The Zoning Administrator did not require that an Initial Study be filed for the case because he denied the case which does not require an environmental clearance. In this case, if an approval was to be granted, I would agree that an Initial Study should be filed. As stated in the findings, testimony at the public hearing from the applicant declared that the project was for redundancy in the systems to remove excess natural gas from the oil stream which could not be cleaned for use by the Southern California Gas Company. The backup information for the Categorical Exemption did not contain any information on why the installation of the CEB would not reach a level of insignificance but was based on legal reasoning on why a Categorical Exemption was valid and why the applicant believed that the installation merely was adding "proven technological improvements" to the existing facility consistent with Condition 46 of Section 13.01 of the Municipal Code.

Environmental Clearances arising from Initial Studies (Negative Declarations, Mitigated Negative Declarations, and Environmental Impact Reports) have a dual purpose. They are for the use of decision makers so that they may make informed decisions on the environmental effects of projects on the surrounding area, and they are also necessary for the public so that the public is informed of the effects of a project on the area in which they live. The environmental information in the case file for the case had no such information. In fact, the Zoning Administrator had to go through three separate case files to find the information on the Southern California Air Quality Management District's (SCAQMD) permit to construct the CEB and on the effects of the sound wall in reducing noise generated by the facility. The SCAQMD's information was not final as it was contained in a preliminary permit. The information was expressed in parts per million on an hourly basis. Unfortunately, CEQA thresh holds for air pollution from green-house gasses and air quality impacts are expressed in pounds per day. This information was not in the file. The Zoning Administrator received this information in the form of the final SCAQMD permit which expressed that the CED would meet its emission standards for the District's various rules on emissions for both green- house gasses and toxics. This was obtained in a letter to the file from a constituent who was opposed to the project. The final permit included the average pounds per day, pounds per year as well as tons per year. emissions of criteria pollutants expressed in pounds not parts per million from the SCAQMD's permit are:

Nitrous Oxide	11.83 lbs/day	4,318 lbs/year	2.16 tons/year
Reactive Organic Gases	3.24 lbs/day	1,182.6 lbs year	.59 tons/year
Carbon Monoxide	5.83lbs/day	2,128.7 lbs/year	1.18 tons/year
PM 10	.78 lbs/day	946 lbs/year	.47 tons/year

An Initial Study would have changed the look of the available data and expressed the data in a form more familiar to those using the information. It also would have expressed the data in a form which is expressed in CEQA thresh holds. While the data from the SCAQMD still would not have reached the thresholds of significance of both the City and the SCAQMD, they do show a rather large amount of pollutants emitted into the air less than 100 feet away from a residential building which is a part of a 192 unit residential complex. An Initial Study would also have looked into the Public Safety elements of the project and would have looked at the fire safety elements of an open flare placed in a residential neighborhood. The Fire Department has expressed concern over the fire safety of an open air flare during Santa Ana wind conditions when debris from nearby palm trees and other jetsam could blow through the flare, ignite and become flaming missiles in a residential neighborhood during high wind conditions. None of this was available to either the Zoning Administrator or the public during the consideration of the case.

USE OF SOUTHERN PORTION OF PROPERTY:

Issues were raised at the public hearing and in letters in the file regarding the use of the southern portion of the site in which the proposed CEB is to be located. The current site is divided roughly in half with the northern portion adjacent to Adams Boulevard containing the active drilling site and its appurtenant structures as well as a landscape buffer on the Adams Boulevard frontage. The rear portion of the lot is lower in elevation and contains a landscaped area which was required in a previous permit because this portion of the lot is surrounded on three sides by either residential or institutional uses. There is a masonry wall which surrounds the active drilling site and is placed at the top of the plateau above the lower portion of the lot. Though the landscaping is a requirement, there is a condition in one of the previous permits which required Plains Energy, one of the corporate precursors to Freeport-McMoRan, to negotiate with the neighbors over opening this landscaped area to the public for use as a privately owned park. Whatever occurred in the negotiations, if they even occurred, the landscaped area has not been open.

Though landscaped, there are no conditions in the previous approvals that prohibit the use of this area by Freeport-McMoRan. The entire site, except for a parking area on the northeast corner of the site, was leased from the Roman Catholic Archdiocese of Los Angeles. The leased area was 2.83 acres in size and was described as running from Adams Boulevard to 27th Street. There were no restrictions in the previous conditions from using the area to the south of the wall. It was only to be landscaped. There are currently pipes running under the surface of the landscaped area and there are currently pipes which extend through the wall at the top of the plateau and into the ground southerly of the wall. Thus, this area has had uses for the entire drilling site. It was leased by the owner in toto to the precursors of Freeport-McMoRan for the use as an active, operating oil field, and thus, public access to this portion of the site is prohibited by the lessee. The Zoning Administrator can find nothing in the previous conditions that would disprove this.

FINDINGS

1. The site, known as the Murphy Drill Site is located on a slightly sloping, irregular shaped property fronting on the south side of Adams Boulevard, between Cimarron

Street to the west and Manhattan Place to the east. The site overlays a portion of the Las Cienegas Oil Field. The property has dimensions of 323 feet along the south side of Adams Boulevard, 165 feet along the north side of 27th Street and a non-uniformed depth of 588 feet and an overall square footage of 3.25 acres. The Drillsite is located in the [Q]R4-1-HPOZ Zone and is within Urbanized Oil Drilling District U-37 as established in 1959 by Ordinance No. 114,701.

The portion of the Drillsite containing the existing drilling and production equipment is enclosed with a concrete block wall that is set back from Adams Boulevard by approximately 25 feet. The portion of the Drillsite within the block wall is accessed through one of two gates and driveways from Adams Boulevard. The easterly portion of the Drillsite, located outside of the block wall, is utilized for parking and has a separate driveway off of Adams. The southerly portion of the Drillsite fronts along 27th Street and is enclosed by a 6-foot wrought iron fence. This southerly area is landscaped and can be accessed from the drilling and production area enclosed by the block wall via an existing gate. Vehicular access to the landscaped area is through an existing driveway on 27th Street. Set back approximately 270 feet from 27th Street is the southerly line of the block wall which encloses the drilling machinery. The area to the south of the block wall is landscaped with mature landscaping and a circular driveway. There are also some pipes which extend through the block wall and go underground about one third of the way across the wall going from west to east.

The site is improved with tanks, vessels, well cellars, pumps, generators, compressors and various pieces of equipment for operating the facility. There are also some generators which are powered by excess natural gas which is a byproduct of the oil drilling. These generators are used to generate approximately one-third of the power used for site operations. There are a small number of operational buildings on the site located in the R4 zoned portion of the site.

The owner of the site is the Roman Catholic Archbishop of Los Angeles who leases the site to the Freeport-McMoRan Oil and Gas (FMO&G). FMO&G is the leaseholder of the entire Drillsite which extends from Adams to 27^{th} Street. This has been indicated as such on the plot plan for the site which has existed from 1959 to the present. Existing entitlements and Zoning Administrator actions have never restricted the operational portion of the Drillsite to the operating area of the Drillsite between Adams Boulevard and the block wall which encircles the current operating area. Though not currently used except for the fore-mentioned pipes extending from the block wall, the area to the south of the wall has been required to be landscaped. Thus, the full 3.25 acre site has been preserved as the Drillsite by Office of Zoning Administration determinations from 1959 to the present.

2. The site is surrounded by residential and institutional uses. To the immediate east of the site is the 191 unit Saint Andrews Gardens apartment complex in the [Q]R4-1-HPOZ Zone. Properties to the south comprise a number of single-family homes, duplexes and triplexes in the RD2-1-HPOZ Zone. Properties to the west are occupied by a convent of Roman Catholic Nuns adjacent to 27th Street and an Aids Healthcare Foundation convalescence home on Adams Boulevard also in the [Q]R4-1-HPOZ Zone.

- A review of the past record and information attached to the file indicates that oil 3. drilling and oil production have occurred on the site since it was first authorized to be operated at this location on April 5, 1961 under ZA Case No. 15227, subject to 24 Conditions of Approval. Development of the site for oil and gas drilling and production operations has been subject to a zoning approval process referred to as a "Review of Plans" for the construction of buildings and the installation of equipment necessary for the production of oil on the site. In addition, subsequent cases have also regulated oil drilling and production on the property, mainly addressing the need for occasional drilling and re-drilling of new or existing wells. The last such submittals were approved by the Zoning Administrator on September 14, 2007 for the expansion of the well cellar and approval of the drilling of 3 new wells, the future drilling of 9 additional wells in ZA 15227(O)(PA4), the related December 26, 2007 Review of Plans for the expansion of gas handling facilities, the August 26, 2008 Review of Plans for the approval to drill Well M-31 and the May 14, 2013 Review of Plans for approval to drill Wells M-37, M-33 and M-40 all as part of the 9 additional wells approved on September 14, 2007. It should be pointed out that a further review of the approvals for the gas handling facilities was to clean the by- product natural gas which was released by the oil drilling in order to sell the natural gas to the Southern California Gas Company.
- 4. Part of the operation of a site for oil drilling and production includes installation and operation of mechanical equipment necessary for the safe processing of oil and gas at the site. The installation, operation and maintenance of equipment for handling natural gas at a Controlled Drill Site is normal and expected as a consequence of drill site operations and does not constitute either a change in land use or an expansion of the operations of the facility. The Zoning Administrator disagrees with the need for, whether such a piece of equipment is normal and expected for a drill site in a residential neighborhood and the advisability of placing such a use in a residential neighborhood.

The operating company (Freeport-McMoRan) has been disposing of natural gas which is a byproduct of oil pumped from this location by three methods. Freeport-McMoRan cleans a majority of the gas produced by the wells on the site by cleaning it of impurities and selling it to the Southern California Gas Company as a part of the Gas Company's natural gas supply. Freeport-McMoRan has been using it on-site to power a cogeneration electrical generating system which powers about one third of the electricity use on the site. It also has an approved Class B re-injection well for the disposal of unused gas back into the ground. A problem has arisen in the gas elimination system because of the Southern California Gas Company and the State of California revising the rules for the gas that that the Gas Company purchases which has taken away the grandfathering rights that Freeport-McMoRan has operated under for the amount of impurities in the gas. This change in rules required additional removal of impurities. Ostensibly, the gas burner, as mentioned at the hearing, is needed to provide redundancy in the disposal of natural gas which cannot be cleaned, burned in the turbines used for electricity production or returned to the ground by the re-injection well. It also provides backup if any of these systems are off-line due to routine maintenance.

The question is – is redundancy the equivalent of "essential to and a part of the implementation of previously approved wells." as was stated in written testimony to the South Los Angeles Area Planning Commission on a previous appeal of an

Approval of Plans which permitted the installation of the burner without a public hearing. After Freeport-McMoRan agreed at the South Los Angeles Area Planning Commission meeting on the appeal to submit to a Public Hearing, testimony was presented to this Zoning Administrator that the need for the burner was for redundancy not for essential operation. The definition of the word "redundant" contained in Webster's Seventh New Collegiate Dictionary is "exceeding what is necessary or normal". The same dictionary's definition of "essential" is "of the utmost importance: basic, indispensable, necessary". This use of the two terms has resulted in confusion in the neighborhood as to what Freeport-McMoRan is trying to do with the installation of the burner and whether or not the installation of the burner was to burn off excess gas from not only the Murphy Drill Site but from an additional field on Jefferson Boulevard which has similar gas problems and is currently furloughed. While neighborhood confusion over a moving target is not the best public policy, it is not the reason that the Zoning Administrator is denying this project.

The M3 Zone is the City's least restrictive manufacturing zone. It includes such uses as blast furnaces, coke ovens, chemical manufacturing and petroleum product manufacturing. Though called the least restrictive zone, it includes the most intense industrial uses permitted by the City. The City's oil refineries are included in M3 Zones. Though the M3 Zone permits these uses by right, the most intense such as acid manufacturing, cement manufacturing, drop forges, petroleum refining, cattle pens, garbage dumps and metal smelting are not permitted within 500 feet of a residential zone because of these uses' ability to "be obnoxious or offensive by reason of emission of odor, dust, smoke, gas, noise, vibration and the like".

Section 13.01 of the LAMC permits the operation of Oil Drilling Districts throughout the City including in residential zones. The City of Los Angeles has historically been a major producer of oil as it sits on what was once one of the largest oil pools in the country. In order to maintain the continued production of active and new wells, the City developed the Oil Drilling District Supplemental Use District. Though the production of crude oil was permitted in the Districts, there was to be no refining of hydro-carbon products within the districts. Crude oil could only be stored for a short time on the site and then removed from the drill site by pipeline. Sub-section F of Section 13.01 lays out the Code required conditions for oil drilling in these districts. These Code conditions must be followed in Drilling Districts as well as any other conditions issued by the City Council in establishing the District and the Zoning Administrator in approving individual wells within the District. Condition 18 of Subsection F requires that:

... "all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe. Proven technological improvements in methods of production shall be adopted as they, from time to time, become available if capable of reducing factors of nuisance or annovance."

"That all oil drilling and production operations shall be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration or noxious odors, and shall be in accordance with the best accepted practices incident to drilling for and production of oil, gas and other hydrocarbon substances. Proven technological improvements in methods of production shall be adopted as they, from time to time, become available if capable of reducing factors of nuisance or annoyance."

Both of these conditions were used as a justification for the installation of the burner as a best available technology in the application for the burner when no public hearing was proposed. After agreeing to the public hearing, the installation was justified at the hearing as a redundant system which was not required for production, but which would make it easier to dispose of gas through either using it for electricity co-generation, reinjection through the Class B well, sales to the Gas Company or burning on site. This Zoning Administrator does not believe that a gas flare or burner within 100 feet of an adjacent residential building is reducing a nuisance or annoyance to the nearby residences, nor from the testimony at the hearing and from language in the application is it needed for production of oil on the site. Thus, though it may be the best available technology for disposing of excess gas, it is not needed for the production of oil in the District. It constitutes an industrial use not needed for oil production and, thus, belongs in an M3 industrial zone not in an R4 residential zone.

The Southern California Air Quality Management District (SCAQMD) in their permit to install the CEB 800 admitted in the specifications for the project that the burner could not exceed the following limits for pollutant emissions:

NOX (AS NO2 15 PPMV @ 3% O2, 1 HOUR AVERAGE 10 PPMV @ 3% O2, 1 HOUR AVERAGE VOC 10 PPMV @ 3% O2, 1 HOUR AVERAGE PARTICULATE 0.0930 GRAINS/DSCF, APPROVED AVERAGEING MATTER

It further calculated that the emissions from the CEB would amount to:

Nitrous Oxide	11.83 lbs/day	4,318	ibs/year	2.16 tons/year
Volatile Organic Gases	3.24 lbs/day	1,182.6	lbs/year	.59 tons/year
Carbon Monoxide	5.83 lbs/day	2,128.7	lbs/year	1.18 tons/year
PM 10	.78 lbs/day	946	lbs/year	.47 tons/year

The SCAQMD also limited the flare to burn no more than 443 Million Cubic Feet of natural gas per day or 13,290 Million Cubic Feet per month. Since the SCAQMD did not put an hourly limit on the use of the burner, but only on the cubic feet of gas which could be burned during a 24-hour period, it is conceivable that up to 11.83 pounds of Nitrous Oxide, 3.24 pounds of Volatile Organic Gases and 5.83 pounds of Carbon Monoxide would be loosed on nearby residences, including a convalescence home run by the AIDS Healthcare Foundation, over a daily period. As previously mentioned in the discussion about the need for a CEQA clearance other than a Categorical Exemption in the Zoning Administrator's Comments above, though the emissions of green-house gasses and other air pollutants do not meet the City's or

the SCAQMD's thresholds for a significant impact, the Zoning Administrator has major concerns with the level of emissions in such close proximity to residential structures which in this case include a low income housing development, a convent and the fore mentioned convalescence home. The air quality impacts of oil drilling operations in the neighborhoods of South Los Angeles have become a major issue in the past two years. Another issue has been the odors which also come with such uses. While an argument may be made for those additions to drill sites which are necessary to the operation of the wells to not have additional CEQA clearance, it has been established by the above finding that the installation of the CEB 800 burner is not necessary for the operation of the subject drill site and is thus fully discretionary under CEQA and subject to environmental review.

It should also be pointed out that Condition No. 52 contained in Section 13.01 of the LAMC requires that:

"no oil, gas, or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is completely enclosed within a building, the plans for said building to be approved by the Department of Building and Safety and the Fire Department. This building shall be of a permanent type, of attractive design and constructed in a manner that will eliminate as far as practicable, dust, noise, noxious odors and vibrations or other conditions which are offensive to the senses, and shall be equipped with such devices as are necessary to eliminate the objectionable features mentioned above. The architectural treatment of the exterior of such building shall also be subject to the review of the Administrator."

The plans for the proposed burner do not show it to be placed within a building. It is to be placed behind a proposed sound wall which would surround the equipment on four sides, but it would not be fully enclosed as it does not have a roof. The definition of a building in the LAMC is "any structure having a roof supported by columns or walls, for the housing, shelter or enclosure of persons, animals, chattels or property of any kind." While the application for the CEB 800 includes a Zoning Administrator approval for a sound wall, it does not include the approval for a building to enclose said piece of equipment. While it would be difficult to enclose the 24-foot high burner, there was no request to alter the published conditions of approval nor was it included in the Public Hearing Notice. Unfortunately for the applicant, there is no language in Section 13.01 which gives an out for an applicant to not comply with the conditions of approval listed in the Code. While the equipment could be placed in a covered structure and protrude from it similar to a chimney, it is problematic as to whether the Fire Department would sign off on such a facility within an enclosed building in a residential neighborhood. The Zoning Administrator did have a conversation with the Chief of the Fire Department's Fire Prevention and Public Safety Bureau who expressed grave concerns over the approval of a CEB or a flare such as this in a residential neighborhood. Such a use could not be placed in the interior of a building for fire safety reasons and of even more concern, was the effects of blowing debris during Santa Ana Wind events which could come into contact with the flare, catch fire and result in blowing burning embers, palm fronds from the numerous palm trees in the area and other plant material. The open air nature of a flare in a residential neighborhood with its emitting of green-house gasses, toxic substances, odors and noise within 100 feet of a large housing development was also a concern to the Chief. For these and the previously stated reasons above, the Zoning Administrator has denied the request for the installation of the CEB 800 burner and has determined that this proposal is not in the interests of the public's health, welfare and safety.

ADDITIONAL MANDATORY FINDINGS

- 5. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone C, areas of minimal flooding.
- On February 19, 2015, the project was issued a Notice of Exemption (Subsection c, 6. Section 2, Article II, City CEQA Guidelines), log reference ENV 2014-2482-CE, for a Categorical Exemption, Class 1, Category 1, Category 2: "The operation, repair, maintenance or minor alteration of existing facilities of both investor and publicly owned utilities, electrical power, natural gas, sewage, water, telephone and mechanical systems serving existing facilities, including alteration to accommodate a specific use; Class 1, Category 6: "Adoption of safety, security, health or environmental protection devices for use during construction of or in conjunction with existing structures, facilities or mechanical equipment, or topographical features; Class 1, Category 32: "Installation, maintenance or modification of mechanical equipment and public convenience devices and facilities which are accessory to the use of the existing structures or facilities and involve the negligible or no expansion of use; and Class 3, Category 4: "Installation of new equipment and/or industrial facilities involving negligible or no expansion of use if required for safety, health, the public convenience or environmental control". For the reasons listed above, I hereby do not adopt that action.

APPEAL PERIOD - EFFECTIVE DATE

The Zoning Administrator's determination in this matter will become effective after JULY 15, 2016, unless an appeal therefrom is filed with the City Planning Department. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. Forms are available on-line at http://planning.lacity.org. Public offices are located at:

Figueroa Plaza 201 North Figueroa Street, 4th Floor Los Angeles, CA 90012 (213) 482-7077 Marvin Braude San Fernando Valley Constituent Service Center 6262 Van Nuys Boulevard, Room 251 Van Nuys, CA 91401 (818) 374-5050

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.

CHARLES J. RAUSCH, JR.

Associate Zoning Administrator

Direct Telephone No. (213) 978-1306

CJR:aln

cc: Councilmember Herb Wesson, Jr.

Tenth District

Adjoining Property Owners



July 19, 2023

Re: Murphy drill site and Case ZA-1959-15227-O-PA6

Dear South Los Angeles Area Planning Commissioners:

The Neighborhood Council Sustainability Alliance voted at our June 11 meeting to ask the South Los Angeles Area Planning Commission to uphold <u>City Planning's February 28, 2023 Letter of Determination</u> on Case No. ZA-1959-15227-O-PA6, which requires E&B Natural Resources, the operator of the Murphy oil-drilling site, to improve conditions in order "to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood" if they want to keep operating on the site.

It is unfortunate that E&B Natural Resources subsequently filed an appeal of the City's Letter of Determination, presumably with the support of the Archdiocese of Los Angeles, which owns the site. We have already expressed our concern (in Council File 17-0447) that under the City's December 2022 ordinance to phase out oil-drilling operations, some active drilling sites might remain in operation for up to 20 years. Protections mandated through City Planning's letter of determination such as facility enclosure and electrification of both workover rigs and onsite power supply have been implemented at oil drilling sites in wealthier communities, but not at the Murphy site, which is not equitable.

It is far past time for such inequities to be eliminated.

Hart

Thank you,

Lisa Hart

Executive Director

Cc: Mayor Karen Bass

City Attorney Hydee Feldstein Soto Vincent P. Bertoni, Director of Planning Jessica Brown, Deputy City Attorney Lisa M. Webber, Deputy Director of Planning Erica Blyther, Petroleum Administrator Nancy Sutley, Deputy Mayor for Energy and Sustainability

Councilmember Heather Hutt, District 10



westsidecouncils.com

Bel Air-Beverly Crest Neighborhood Council Brentwood Community Council Del Rey Neighborhood Council Mar Vista Community Council Neighborhood Council of Westchester-Playa North Westwood Neighborhood Council Pacific Palisades Community Council

Palms Neighborhood Council
South Robertson Neighborhoods Council
Venice Neighborhood Council
West LA-Sawtelle Neighborhood Council
Westside Neighborhood Council
Westwood Community Council
Westwood Neighborhood Council

August 16, 2023

South LA Area Planning Commission Hon. Karen Bass, Mayor, City of Los Angeles Vincent P. Bertoni, Director, Los Angeles City Planning Dept.

Via email to all addressees

Re: Case No. ZA-1959-15227-O-PA6 – Murphy Drill Site: SUPPORT Director's Determination Letter

Honorable City officials:

The Westside Regional Alliance of Councils (WRAC) is a coalition of all fourteen neighborhood and community councils on the Westside of Los Angeles, located in CDs 5 and 11 and portions of CDs 4 and 10.

WRAC's member councils have long expressed concern about the environmental impacts of oil drilling in or near the Westside's residential neighborhoods. To protect the health and welfare of Westside constituents, WRAC's member councils and other Westside organizations have historically had the resources in many instances to prevent or achieve mitigation of the impacts oil drilling. We are also aware of the City's discriminatory and disparate treatment of Los Angeles neighborhoods in terms of protections from oil drilling operations. Now, it has come to WRAC's attention that fellow Angelenos in West Adams have similar concerns about the environmental impacts of the above-referenced drill site.

As a result, more than a majority of WRAC member councils (9 councils) have adopted the following motion (or modified versions in keeping with its spirit), which is an adopted position of WRAC:

"Whereas, the City of Los Angeles has a history of discriminatory and disparate treatment in its oil drilling environmental compliance requirements whereby some communities are afforded greater protections from pollution and noise from oil drilling operations while other communities are not;

"Whereas, the Murphy Drill site location in West Adams is an example of a community that has been exposed to toxic fumes and noise pollution that could be partially abated through facility enclosure and electrification of workover rigs and power supply, as has been done in wealthier communities, but have not been;

"Whereas, on February 28, 2023, the City's Planning Department issued a Letter of Determination on Case No. ZA-1959-15227-O-PA6 requiring additional and modified conditions for the continued operation of the Murphy Oil Drill Site "to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood";

"Whereas, on March 13, 2023, E & B Natural Resources the operator of the Murphy Drill site filed an appeal to the City's Letter of Determination;

"Therefore, WRAC calls on the City of Los Angeles to uphold its February 28 Letter of Determination."

The language of the above motion has been approved by the following WRAC member councils: Bel Air-Beverly

Page Two Westside Regional Alliance of Councils South LA Area Planning Commission and City officials August 16, 2023

Crest Neighborhood Council, Brentwood Community Council, Del Rey Neighborhood Council, Neighborhood Council Westchester-Playa, Mar Vista Community Council, Pacific Palisades Community Council,* Palms Neighborhood Council, Westside Neighborhood Council and Westwood Neighborhood Council (*modified version maintaining the spirit of the motion).

No member councils have opposed the WRAC motion or submitted a minority letter to accompany this position.

For these reasons, we respectfully urge the South LA Area Planning Commission to uphold the Director's Determination Letter of February 28th in the above-referenced matter and to implement its requirements as soon as possible for the health and welfare of the West Adams community.

Thank you for your consideration.

Sincerely,

Robin Greenberg

Robin Greenberg Chair Westside Regional Alliance of Councils

cc (via email):

Hon. Katy Yaroslavsky, CD 5

Hon. Traci Park, CD 11

Hon. Nithya Rama, CD 4

Hon. Heather Hutt, CD 10