

Baldwin Hills Community Standards District (CSD)  
Community Advisory Panel (CAP)  
Minutes: 2/28/13  
*DRAFT*

A. CALL TO ORDER – 7:03PM

B. AGENDA – Approved

C. STEVE BURGER/MICHAEL MONTGOMERY, DPW  
PRESENTATION: GROUND MOVEMENT STUDIES, UPDATES

Steve Burger and Michael Montgomery from the Los Angeles County Department of Public Works (DPW) addressed the CAP regarding the County's response to PXP's required annual Ground Movement Survey and PXP's analysis of property owner claims that oil field operators may be responsible for subsidence damage.

Michael Montgomery discussed the 2011 and 2012 exceedence points, potential Operator payment responsibility, and vertical and horizontal movement as identified in the report. He explained there are two components to the study. The first component is to make a determination whether or not movement is occurring. The second component is to determine whether or not activities at the oil field, either through the removal or reinjection of fluid is causing ground movement. His understanding is that the bulk of fluid being taken out of the oil field is water as compared to oil. He further stated that during the production year, one percent more fluid was injected than removed.

Paul Ferrazzi suggested the Operator was over pressurizing the field since more water was being injected than removed. Steve Burger stated that the geology is more complex than the comment suggests and involves many factors.

Michael Montgomery cited the Annual Geotechnical Report prepared by Fugro Consultants, Inc. (Fugro), which indicates there is not conclusive evidence correlating recorded ground movement and oil field production. He explained that once 0.6 inches of ground movement has been met then the Operator is responsible for investigating all lodged complaints. At this time, there have been 17 complaints and DPW has received 17 reports addressing the complaints. The complainants also received responses to their complaints directly from PXP. Public Works visited all of the sites to assess on the ground conditions. Public Works agrees with the assessment that the majority of the earth movement cannot necessarily be attributed to the oil field operations. In some cases, construction preceded building codes and houses were built on unconsolidated material in a sloping area subject to high seismicity.

Public Works has requested that DOGGR look into ground rupture/earth cracks near the school and in the vicinity of Overhill Drive, Stocker Street, and La Brea Avenue, in unincorporated Los Angeles County. The area showed evidence of damage caused by Earth cracking (cracking). It is unclear whether this cracking is due to oil field activities. He explained that cracking at the school was first identified in the 1950s and that rainstorms in the 1970s caused subsidence in the area. Further, poor grading techniques during housing construction is also to blame for cracking. He added that subsidence over a large area may not cause damage to a small area, such as an individual house.

Michael Montgomery explained that Laguna Geosciences, Inc. (Laguna), a company that investigated each of the claims independently of Fugro, concluded that regional ground movement was the cause of the cracking. Laguna further reported that the remainder of cracking claims are not related to oil field activities, but are related to global geotechnical conditions, regional ground movement, poor maintenance, fill settlement, and soil creep. Michael Montgomery added that StrataGen Engineering (StrataGen), a petroleum engineer consulting firm, separately stated that the reason for the cracking is not fully understood and there is no simple or obvious answer. Michael Montgomery said he does not feel Laguna's or StratGen's conclusions are wrong.

Michael Montgomery clarified that the numbers on the handout map identify bottom hole locations of active wells. Paul Ferrazzi showed a collision map and stated that the below grade areas of wells outside of the oil field should have been analyzed in the study.

David McNeill recapped the presentation and discussion highlights then introduced Tim Kustic, State Oil and Gas Supervisor with the Division of Oil, Gas, and Geothermal Resources (DOGGR).

Tim Kustic explained that DOGGR is not part of the CSD, but is a resource to the County for matters related to the CSD. He described the organizational makeup and purview of DOGGR in relation to other governmental bodies related to oil and gas. He stated that his office is scheduled to meet with the Operator's consultants to examine their data and address DOGGR's questions. His office does not have any data to report at this time as they must perform a detailed analysis of the existing data. There is no definitive timeline. He explained that if there are larger subsidence issues that can be proven to be linked to the oil field, then DOGGR can get involved to ensure the Operator manages the situation to prevent damage, but DOGGR cannot address individual home impacts related to subsidence. He described DOGGR's role in the Wilmington Oil Field subsidence issue in the 1940s and how the legislature ultimately mandated consolidated ownership and other measures to stop subsidence, such as a field-wide injection process. In response to inquiry from a member of the general public, Tim Kustic explained that DOGGR receives fees of approximately 14 cents per barrel of oil produced in the state.

#### D. QUESTIONS FROM CAP AND PUBLIC

Paul Ferrazzi commented that the arrows on the maps provided suggest the oil field as the center of horizontal movement. Steve Burger and Michael Montgomery responded that they have noticed the same trend and that data shows some subsidence movement toward the middle of the field.

David McNeill asked if the ground movement surveys were conducted annually, and if so, when the next one is scheduled. The Operator confirmed the surveys are conducted annually, that they already have the data for this year's survey, and the next survey will be conducted in the next couple of months. Gary Gless asked if the surveys could be done twice a year. Steve Burger said that is something that can be explored, if needed.

Catherine Cottles asked how tonight's and other related information will be provided to those interested parties not in attendance. Steve Burger and Rena Kambara stated that the information will be posted on the County website and the Operator's Inglewood Oil Field website, and the meeting minutes will be available as well.

A member of the general public asked how the potential sale of PXP will affect the CSD and related oil field studies. The Operator replied that the acquisition of PXP will not be completed until the second quarter of this year and the new Operators will have to abide by the CSD.

A member of the general public asked if anyone can address fracking in the oil field and suggested the 1960s Baldwin Hills dam failure was a result of fracking. The Operator replied that many parties have analyzed the incident and there is no conclusive evidence as to why the dam failed. Another member of the general public stated that the fracking issue should be taken seriously by the DPW. The Operator added that the National Academy of Sciences determined there is no significant risk to ground movement by hydraulic fracturing.

A member of the general public along with Paul Ferrazzi asked what the process is after DOGGR reaches a conclusion on their findings regarding the investigations into cracked foundations, since the CSD doesn't seem to specify any other future actions. The CSD states that if there is a determination that oil field operations are responsible for ground movement, then DOGGR can require modifications on the injection and withdrawal of fluids from PXP to alleviate the issue. David McNeill suggested that this type of issue could be brought up to be revisited during the upcoming CSD review.

Gary Gless raised the issue of movement being caused by increased pressure in the oil field under residences due to multiple injection points and possibly only one withdrawal area. Tim Kustic said that his office will be analyzing that issue.

A member of the general public asked if DOGGR monitors subsidence and uplift. Tim Kustic explained that DOGGR does not monitor subsidence and uplift in all oil fields. In the oil fields that DOGGR does monitor, DOGGR asks if the oil field is causing ground movement and, if so, is the ground movement causing damage. He explained that if the oil field operation needs to be changed to address ground movement, then DOGGR has the authority to ensure changes are implemented. He further stated that currently there is no corresponding data that shows that subsidence and uplift are the result of withdrawal of fluids from the oil field. DOGGR doesn't have enough data to draw a conclusion one way or the other at this time.

David McNeill reasserted that these types of issues can be revisited during the upcoming CSD review. He asked for CAP volunteers to help make recommendations for the CSD review.

Liz Gosnell raised the issue of uncompacted fill and asked if there is related data available from the County's building department. Michael Montgomery stated that there is limited historical data as there were no grading permits required before the 1950s and no actual records prior to 1963 specifically related to grading.

A member of the general public discussed the subsidence issue in relation to her experience with damage to her home. Upon inquiry, she confirmed that her house was investigated. Steve Burger suggested she contact his office if she disagreed with the investigation results and DPW will look into it further.

#### E. OPERATOR UPDATE

The Operator reported that four wells have been drilled as part of the 2013 program. There are currently five workover rigs in operation. The Operator stated it will include the number of maintenance rigs in next month's update. The Operator added that Landscaping Plan Phase 3 was approved by Regional Planning on February 21<sup>st</sup> and the Operator is awaiting approval of Phases 4 and 5, which is expected in the next couple of weeks. The Regional Water Quality Board (RWQB) recently unanimously approved the Operator's Stormwater Discharge Permit and Biofarm Waste Discharge Requirement Program. The Operator stated they will continue to monitor and report rainwater discharges per the permit requirements.

Follow-Up Questions – The Operator updated its website heading under the CSD Related Plans page from Plans for CAP Review to Plans Provided to the CAP for Review. The 2012 4<sup>th</sup> Quarter complaints log was updated and provided to the County. On February 13, 2013, the Operator replied "to all" in responding to Gary Gless's email regarding produced water. The Operator received emails regarding the catch basin near Raintree Circle and had samples taken that indicated the algae and water sampled were in compliance with the 2013 RWQCB permit.

In response to inquiries from members of the general public, the Operator stated the algae type sampled was blue-green algae (cyanobacteria). The Operator did not know the square footage of the basin's top layer that was covered with blue-green algae. The Operator stated that chemical analyses were conducted and there were no toxins above threshold levels found in the water. The Operator further stated that the public can look at the RWQCB permit and find that every constituent in the permit was analyzed and did not exceed the threshold.

#### F. REGIONAL PLANNING/ECC UPDATE

Rena Kambara informed the CAP that the XACT metals monitoring results are expected in the next couple of months. In response to questions at previous CAP meetings about the contribution of PXP truck traffic to overall air quality, it was stated that the contributions of oil field traffic are fairly small when compared to the overall traffic loads in the surrounding high volume streets and highways, and that truck traffic data is not actively measured at this time.

Rena Kambara announced that Ray Mullins is no longer with the County. Luis Perez introduced Michael Cassata with MRS, who will be attending future CAP meetings and will be responsible for the meeting minutes.

Luis Perez informed the CAP that the Vickers II Lower Basin odor complaint was investigated and the ECC did not smell a hydrocarbon odor. ECC sampling results are expected on March 1, 2013. Luis Perez listed the number of active workover/maintenance/re-abandonment sites at the oil field during the ECC's February 27<sup>th</sup> site visit.

In response to a question from Gary Gless, the Operator explained that a profile modification is not a systemic change from water injector to producer, but is an adjustment intended to balance the well pressure.

#### G. PUBLIC COMMENT

Gary Gless showed the Operator a video of water shooting out of a well and asked why this occurred if the oil field has non-pressurized wells. Gary Gless agreed to send the full video to the Operator for review and response.

A member of the general public asked why the Vickers II Lower basin couldn't be moved to an area away from the perimeter. David McNeill stated that the RWQCB permit is available for review to determine if the basin location meets the [setback] requirements.

A member of the general public stated that the CSD is meaningless because the County doesn't take responsibility for the CSD provisions. He cited Jamaica and an electricity crisis from the early 1990s and said not much can be expected from the Operator either.

#### H. CAP/OPEN DISCUSSION

Mark Didak informed the CAP that he and another member have been sent to represent the Raintree Community HOA and that they will alternate coming to the CAP meetings.

Paul Ferrazzi informed the CAP that a letter from County Public Works was copied (cc:) to John Kuechle, but not to the other members of the CAP. The County and CAP agreed that all members of the CAP should be included in correspondence involving the CAP.

Luis Perez informed the CAP that with regard to the CAP agenda for the next six months to a year, discussion items become more defined the closer it gets to specific meeting dates. He explained that in March, the RWQCB is tentatively scheduled to discuss permitting and basin retention issues, while the AQMD will discuss the recent biofarm Notice of Violation (NOV) and current compliance status. In April, the discussion item will be the process for periodic review of the CSD. David McNeill stated that CSD review recommendations should be sent to Rena Kambara.

Due to the Easter/Spring Break holiday, the CAP agreed to reschedule the March 28<sup>th</sup> CAP meeting to March 21<sup>st</sup>.

I. APPROVAL OF MINUTES: (1/24/13) – Approved

#### J. ANNOUNCEMENTS

- Next CAP Meeting will be March 21<sup>st</sup> at 7:00PM

K. ADJOURN – 8:55PM

ATTENDANCE: 2/28/13  
 (\*absent)

**DESIGNATED SEATS PER 22.44.142.J.1.a**

***Governmental Entities***

1	Department of Regional	Rena Kambara
2	City of Culver City	Paul Ferrazzi
3	West Los Angeles College	Nabil Abu-Ghazaleh*

***Operator (per 22.44.142.C)***

4	Plains Exploration &	Lisa Paillet
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**NOMINATED SEATS PER 22.44.142.J.1.a**

(Accepted first-come/first-served within each sub-group)

***Landowners (per 22.44.142.C)***

5	Vickers Family Trust	Roger Shockley
6	Cone Fee Family Trust	Liz Gosnell

***Neighborhood Organizations (Recognized Homeowners Association)***

7	Ladera Heights Civic Assoc.	Carmen Spiva
8	Windsor Hills HOA	Gary Gless
9	United HOA (View Park)	Catherine Cottles
10	Culver Crest Neighborhood	John Kuechle*
11	Blair Hills HOA	Jon Melvin*
12	Raintree Community HOA	Mark Didak
13	Baldwin Hills Estates HOA	Ronda Jones*

***Neighborhood Organizations (No Recognized Homeowners Association)***

14	Ladera Crest Homeowner	George Mallory*
15	Baldwin Vista Homeowner	Irma Munoz*

***School Districts***

16	Los Angeles Unified	Glenn Striegler*
17	Culver City Unified	Scott Zeidman*

***Neighborhood Organizations (All Others)***

18	Windsor Hills Block Club	Toni Tabor
19	Community Health Councils	Gwendolyn Flynn (Mark Glassock)
20	Baldwin Hills Conservancy	David McNeill

21	The City Project	Robert Garcia (Ramya Sivasubramanian)
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Luis Perez, Michael Cassata (DRP Consultants)  
Tim Stapleton (DRP)