FREEPORT-MCMORAN OIL & GAS

Freeport-McMoRan Oil & Gas
5640 South Fairfax Avenue
Los Angeles, CA 90056

Telephone: 323-298-2200

RECEIVED
APR 29 2014
BY:_____

February 28, 2014

Department of Regional Planning
Attn: Timothy Stapleton, Zoning Enforcement West
320 W. Temple Street,
Los Angeles, CA 90012

VIA ELECTRONIC MAIL and FEDERAL EXPRESS

RE: Baldwin Hills Community Standards District Periodic Review Public Draft dated February 2014

Dear Mr. Stapleton:

As Operator of the Inglewood Oil Field (IOF), Freeport-McMoRan Oil & Gas (FM O&G) has reviewed the Baldwin Hills Community Standards District (CSD) Periodic Review Public Draft dated February 2014 (Draft) and is pleased to submit our comments, including those attached. We are appreciative of the County's thorough analysis and reporting of FM O&G's compliance records of the preceding five-years in the Draft, and are gratified by the results of the review. As these records demonstrate, the provisions of the CSD have effectively ensured that oil field operations at the IOF have been, and are, conducted in a safe manner that is compatible with surrounding uses. FM O&G takes pride in the responsible development of the IOF and has not had one instance of non-compliance with the CSD in the past five years. As such, FM O&G does not find it necessary or appropriate to amend the CSD, nor do we believe the record justifies the County taking such action. We do request, however, that the Draft be updated to correct technical information and clarify jurisdictional authorities, particularly those of the State of California Department of Conservation Division of Oil, Gas and Geothermal Resources (DOGGR).

California imports 65% of the oil it consumes. FM O&G's California business is to search for and produce oil and natural gas which is then used entirely in California. We are a local, real world example of reducing our dependence on imported oil. As much as 50% of the IOF's oil resources remain in place in producing zones and can be readily accessed through drilling and production activities using current technology. These resources will continue to 1) ensure the IOF supplies California with a domestic oil source for decades to come, offsetting the need to import supplies from Venezuela and the Middle East, and 2) strengthen the County's workforce through attraction and retention of highly skilled science and engineering professionals as well as providing many employment opportunities and training for unskilled and semi-skilled workers in Los Angeles County. Currently, the IOF provides approximately 1,160 full-time positions in total (including both FM O&G staff and contractors), and this number is projected to remain constant for the foreseeable future.

FM O&G is committed to compliance with all applicable governmental regulations and the responsible operational procedures to provide community compatibility. Since inception of the CSD, FM O&G has submitted, and received approval of over 60 implementation items and a multitude of quarterly, semi-annual, yearly, etc. compliance reports and studies. Our EH&S on

call personnel are available to respond to public concerns 24/7 via our 800 number, and our Ombudsperson regularly attends the monthly Community Advisory Panel (CAP), annual community meetings and other meetings and events throughout the communities surrounding the IOF. We perform annual training drills in the presence of many agencies including, but not limited to, the State of California Department of Fish and Wildlife Office of Spill Prevention and Response (OSPR) and the Los Angeles and Culver City Fire Departments. All FM O&G employees and contractors working on the IOF are trained annually on all CSD provisions, and area specific training (i.e. quiet mode drilling) are emphasized to employees directly implementing such procedures.

All drilling operations have been, and are, performed in strict compliance with applicable Drilling, Redrilling, Well Abandonment and Well Pad Restoration Plan requirements along with requirements of other agencies, particularly, the DOGGR. As the County is aware, the DOGGR preempts the regulation of all downhole activities, including hydraulic fracturing and certain types of well stimulation activities via a set of comprehensive regulations in the form of SB 4. Accordingly, FM O&G requests that the County disclose this jurisdictional delineation in the Draft and correct any instances of conflict with it as further detailed in the enclosure to this letter.

Please feel free to contact me should you have any questions.

Sincerely,

L Vlk

Laura Vlk
Senior EH&S Specialist

Cc: Steve Rusch, Vice President EH&S and Government Affairs
Terry Collier, Assistant General Counsel
John Martini, Manager EH&S and Government Affairs
Candace Salway, Manager EH&S

Freeport-McMoRan Oil & Gas Comments on Periodic Review Public Draft
April 28, 2014

Comment #	Page	CSD Section	CSD Provision	Comment
1	14	X	X	In the last paragraph of this discussion on the health risk assessment, comments from the Community Health Council (CHC) are cited; however, no conclusion is provided nor is any summary of the Public Health Study. To accurately and impartially summarize this issue, a description of the study as well as any comments received should be included. As such, please include a summary of the Public Health Study and any responses from the Public Health Department on CHC's comments.
2	15	D.1	Operational Limits	The "summary of issues raised by the public" section includes a discussion of concerns raised regarding bottom hole locations "outside the CSD boundary" and states that the County and the oilfield operator have confirmed that no surface or bottom hole well locations have been drilled outside the DOGGR established boundaries of the CSD/Inglewood Oil Field. The discussion further states that : "All new drill sites are subject to review and approval by the County pursuant to Provision E. 26, the *Annual Drilling, Redrilling, Well Abandonment, and Well Pad Restoration Plan* and this provision prevents approval of surface hole locations in those subject areas." Please include additional text clarifying that downhole operations are regulated by the DOGGR.
3	17	E.1	Fire Protection and Response	In the 2nd paragraph, please edit as follows: "Annual spill containment response training has been completed on February 4, 2009, February 17, 2010, ~~April 10, 2010, October 26~~, February 17, 2011, ~~and~~ February 1, 2012 and February 12, 2013~~. LA County and Culver City Fire Departments may attend the training as allowed for under CSD Provision F.4.~~" Note the training required under this CSD provisions, E.1, and that of F.4 are completely separate from one another; hence, the request for deletion of the last sentence above as Fire Department attendance is not applicable to the E.1 training.
4	18	E.1	Fire Protection and Response	Please change the first sentence on this page as follows: "Annual emergency response drills have taken place on November 24, 2009, November 3, 2010, October 26, 2011, ~~February 1,~~ November 7, 2012, and November 6, 2013."
5	23	E.2	Air Quality and Public Health	Add the following sentence to the end of the second paragraph under "summary of complaints:" "The SCAQMD exempts such emissions of fugitive dust when wind gusts exceed 25mph (Rule 403.g.2)."

Comment #	Page	CSD Section	CSD Provision	Comment
6	24	E.2	Air Quality and Public Health	Under "Summary of Issues Raised," the last sentence of third paragraph does not reflect accurate conditions. To remedy, change as follows: "As a result of the NOV, The operation of the bio-remediation farms at the oil field has been temporarily halted while the Operator installs the modifications and upgrades as required by ~~the NOV~~ the new RWQCB permit issued February 7, 2013."
7	26	E.2	Air Quality and Public Health	First sentence, second Paragraph, change as follows to accurately cite CSD language: "All tanks that contain oil ~~and/or produced water~~ or could contain oil…":
8	27	E.2	Air Quality and Public Health	Add the following sentence to the end of the second paragraph: "The SCAQMD exempts such emissions of fugitive dust when wind gusts exceed 25mph (Rule 403.g.2)."
9	36	E.4	Geotechnical	Change the second paragraph as follows: "The surveys are completed using Global Positioning (GPS), Geodetic Leveling and DifSAR processes and procedures as documented in the ground movement monitoring plan as approved by ~~DRP~~ DPW and DOGGR."
10	40	E.5	Noise Attenuation	The fourth paragraph, second sentence should read: "The agreement revised the CSD with regards to allowable nighttime maximum noise levels ~~and~~ at the baseline monitoring locations."
11	40	E.5	Noise Attenuation	The first sentence of the fifth paragraph should be struck as the additional monitoring locations were established before the Settlement Agreement.
12	41	E.5	Noise Attenuation	The second paragraph first sentence should be deleted as it is incorrect. The paragraph should read "**In 2010 there were 6** revised baseline monitoring locations **that were** developed by a team…"
13	60	G.8	MACC	The Operator should be added to the MACC. The operator needs to be present to provide technical input in the event questions are raised about specific operations..

Comment #	Page	CSD Section	CSD Provision	Comment
14	61	J.1.b	CAP Meetings	CAP meetings should be changed from monthly to quarterly via implementation measures of the CSD. We do not believe a formal amendment to the CSD is necessary to accomplish this scheduling change. The purpose of the CAP is to foster communication about ongoing operations at the oilfield and to allow the community representatives to provide input to the County and the operator. In the first two years of CSD implementation, monthly meetings were beneficial due to the frequent submittal and review of over 60 CSD implementation plans and documents during that time. All of those CSD implementation actions have been completed, and oilfield activities for the subsequent three years consisted of ongoing operations, all of which that were conducted in compliance with the CSD and associated plan approvals, including the annual drilling plan for each year. The highest frequency of compliance submittals occurs quarterly; therefore, the frequency of CAP meetings should be made consistent to match the intent of this provision. Scheduling the meetings on a quarterly basis as opposed to monthly may also have the added benefit of encouraging more attendance at the meetings as well.
15	62	J.1.b	CAP Meetings	Meeting minutes from CAP meetings should not be transcripted word for word - they should treated as action minutes, similar to how minutes for any public meeting are typically prepared.
16	68	E.19	Groundwater Monitoring	Under "Analysis of Compliance and Effectiveness" change the date of "February 17, 2013" to "February 7, 2013" in the second to last sentence.
17	79	E.26	Drilling, Redrilling and Reworking Operations	Change the 1st paragraph under "hydraulic fracturing" as follows: "...to be completed by an independent third party consultant <u>chosen by PXP and a peer reviewer chosen by the County and PXP.</u>"
18	80	E.26	Drilling, Redrilling and Reworking Operations	Add the following sentence to the end of the f paragraph under "Annual Drilling, Redrilling, Well Abandonment, and Well Pad Restoration Plan:" "<u>It should be noted that downhole activities, including well bore paths, are regulated by the DOGGR.</u>"
19	80	E.26	Drilling, Redrilling and Reworking Operations	Delete the 1st paragraph on this page. Hydraulic fracturing is a downhole, *completion* technique. Well completions are not required to, nor are they, discussed in the *Drilling, Re-Drilling, Well Abandonment and Well Pad Restoration Plan."* **Or,** if this paragraph is left in, language should be added that clarifies that DOGGR has exclusive regulatory jurisdiction over downhole operations and completion techniques are not part of the

Comment #	Page	CSD Section	CSD Provision	Comment
				CSD Annual Drilling Plan. Furthermore, the Annual Review should also note that since the adoption of the CSD, the State of California has adopted comprehensive regulations in the form of SB 4 that govern hydraulic fracturing and certain types of well stimulation operations.
20	80	E.26	Drilling, Redrilling and Reworking Operations	The first paragraph under "Annual Drilling, Redrilling, Well Abandonment, and Well Pad Restoration Plan," includes a discussion of concerns raised regarding bottom hole locations "outside the CSD boundary. Please include additional text clarifying that downhole operations are exclusively regulated by the DOGGR.

Comment #	Page	CSD Section	CSD Provision	Comment
21	80	E.26	Drilling, Redrilling and Reworking Operations	Under "Annual Drilling, Redrilling, Well Abandonment, and Well Pad Restoration Plan," change the third paragraph as follows: In support of maximizing the drilling activity in the middle of the field several comments requested that the Operator be required to abandon more wells and well pads along the edges of the oil field. However, it must be noted that this is not a requirement of the CSD, nor is it technically or economically feasible. There are known limitations on how far the surface locations of the well can be placed from the bottom hole location to produce the Vickers Rindge zone which comprises the vast majority of production at the field. Most Vickers Rindge wells are limited to having the surface location, on average, 200' from the bottom hole location. This number varies 100' or so in each direction based upon the depth of the Alpha (top) of the Vickers Rindge zone. Because of the geologic nature of the Inglewood Oil Field, it would take multiple horizontal wells to offset a single vertical well. Vertical wells are optimal at the Inglewood Field because there are multiple layers within each zone. Up to 26 layers are produced from within the Vickers Rindge zone for instance. A single vertical well can tap all those layers. A horizontal well in contrast would be limited to accessing one or two layers within the Vickers Rindge zone. The Inglewood Oil Field is a water flood. Water flood operations do not effectively operate using horizontal wells for injection operations. The injection wells require vertical spacing throughout the field to effectively "sweep" the hydrocarbon reserves in place. Since industry has not developed cost-effective technology to control an injection profile in a horizontal well, vertical injection wells would still be needed throughout the field. The modified production and injection facilities would be less effective in producing the reservoirs in place. The reduced production rates would trigger additional public policy issues relative to displacement of the mineral rights interests, compensation for such displacement, etc. The added costs of these issues would exacerbate the total estimated costs of the project. Forced consolidation of the type contemplated is economically infeasible. It is highly unlikely the true capital costs of such a project could ever be recovered.

Comment #	Page	CSD Section	CSD Provision	Comment
22	80	E.26	Drilling, Redrilling and Reworking Operations	The 2nd paragraph under "annual drilling, redrilling, etc. plan" includes a discussion of "well bore paths." Please include additional text clarifying that downhole operations are exclusively regulated by the DOGGR.
24	108	F.4	Annual Emergency Response Drills of the County and Culver City Fire Departments	Change the second paragraph under "analysis of compliance and effectiveness" as follows: "The provision is considered to be fully effective at this time and no further analysis is recommended. ~~However, it is recommended that efforts are made to ensure that unannounced rills take place at the oil field as required by the provision of the CSD. The Department of Regional Planning will coordinate with the Fire Department to ensure that unannounced drills occur in the future."~~ The CSD does not *require* unannounced drills. The CSD states (emphasis added): "the operator shall demonstrate effectiveness of the emergency response plan by responding to not more than two unannounced drills each year which <u>may</u> be called by the county fire department at the oil field." (emphasis added) Therefore, IF the LACFD calls an unannounced drill, the operator shall demonstrate effectiveness. There is no requirement for the LACFD to call unannounced drills and there is no evidence suggesting that such drills are necessary. All of the agencies involved have repeatedly given high marks for FM O&G's performance during drill exercises. OSPR has even commented that we rank among the top in the State.
25	109	F.4	Annual Emergency Response Drills of the County and Culver City Fire Departments	Change "recommendations" as follows (for the same reasons as the comment above): - "This provision is implemented as intended, no changes to implementation are recommended. ~~However, as stated above, it is important to ensure that unannounced drills are conducted periodically the oil field~~."
26	110	F.5	Noise Monitoring	The statement in "recommendations to changes in implementations" states that the provision has not been implemented to date. This is not the case. The Public Health Department has attended CAP meetings to discuss their findings of oil field noise monitoring. CAP minutes of October 25, 2012 are attached for reference.

Comment #	Page	CSD Section	CSD Provision	Comment
27	134	J.3	Ombudsperson	Under "Analysis of Compliance and Effectiveness" change as follows to reflect actual conditions: "~~Although sS~~Some concerns have been expressed by members of the CAP on timeliness on information received about operations of the oil field~~, this is considered an ongoing compliance issue that can be resolved under the existing provisions. Measures have been taken~~ .The Ombudsperson consistently ~~to~~ ensures that the items that remain pending from previous CAP meetings are addressed at the next meeting ~~by the Ombudsperson~~ or individually with the members of the public making the inquiry. The Operator has consistently submitted all required reports and documentation to the County in compliance with required timelines and has posted all information to the www.inglewoodoilfield.com website and provided notice to the CAP of the information/posting in compliance with the CSD. The County will remain vigilant to ensure that the Operator continues to provide information to the public through the Ombudsperson as appropriate. This condition is considered to be fully effective at this time and no further evaluation is recommended."
28	Apdx B	N/A	N/A	Update this appendix in accordance with the comments above.
29	Apdx A 1	N/A	N/A	Add the following text to the responses to FerazziP-1 and -2 : The DOGGR occupies the field of regulation related to downhole activities. Since the adoption of the CSD, the State has adopted comprehensive legislation and regulations pursuant to SB 4 that regulate hydraulic fracturing and certain types of well stimulation operations.
30	Apdx A 2	N/A	N/A	In the response to FerazziP-13, change "City Fire Department" to "County Fire Department."
31	Apdx A 3; 11	N/A	N/A	The responses to FerazziP-15 and CAP-28 states the following: "Due to security reasons and Federal Homeland Security requirements, the ERP cannot be provided as a public document. The ERP can be viewed at the County by appointment." The second sentence of this response is in direct conflict to the first sentence. The ERP is not a public document, and therefore, may *not* be viewed by the public at the County. As such, the second sentence must be deleted.

Comment #	Page	CSD Section	CSD Provision	Comment
32	ApdxA 3	N/A	N/A	Change the response to SanfordD-1 as follows: "Private, vested, surface property rights, leases for oil and gas exploration, drilling, production, processing and associated activities and safety concerns, prevent public access through the oil field.
33	Apdx A 4	N/A	N/A	Change the responses to SherD-1 and SherD2 as follows: A bicycle path on La Cienega is outside the scope of the CSD and vested, surface property rights, leases for oil and gas exploration, drilling, production, processing and associated activities and safety concerns prevent public access through the oilfield.
34	Apdx A 4-5; 10; 12	N/A	N/A	Change the responses to 1) SkelleyL-1, 2) Survey-8/MorganC-8, 3) Survey-18/LowL1, 4)Survey-66/Reitz T-1, 5) CAP-14/FerrazziP-2; 6) CAP-21/GlessG-4; 7) CAP-26/FerrazziP-4; 8) CAP-27; 9) CAP-53; 9) CHC-8 as follows: "Hydraulic fracturing well enhancements are not currently in use ~~or permitted~~ at the oil field. It should be noted that downhole activities, including hydraulic fracturing, are regulated by the DOGGR. Since the adoption of the CSD, the State has adopted comprehensive legislation and regulations pursuant to SB 4 that regulate hydraulic fracturing and certain types of well stimulation operations."
35	Apdx A 8-9	N/A	N/A	Change the response to 1) Survey-60/GourleyS-6, 2) Survey-61/GourleyS-7, 3) Survey-69/BladesV-2; and 4) Survey-72/BladesV-5 as follows: No response necessary. Comment noted. The 800 number is posted on the www.inglewoodoilfield.com website, prominently displayed in the annual newsletter, distributed twice per year to the CAP and MACC, and provided to anybody requesting it in compliance with CSD requirements. The 800 numbers is also prominently posted at every gate along the perimeter of the Inglewood Oil Field. Therefore, the posting of the 800 number, and the availability of it to the public, is adequate. For your future reference, the number is: (800) 766-4108.

Baldwin Hills Community Standards District (CSD)
Community Advisory Panel (CAP)
Minutes: 10/25/12
FINAL

A. CALL TO ORDER – 7:00PM

B. AGENDA – Approved

C. EVENOR MASIS & CARRIE TAYOUR, L.A. COUNTY – DEPT. OF PUBLIC HEALTH
PRESENTATION: NOISE MONITORING ACTIVITIES AT THE INGLEWOOD OIL FIELD

Evenor Masis described in detail his background, his role within the Dept. of Public Health (DPH), and his more than 18 years of experience in public health and environmental science. With his assistance, DPH and Regional Planning developed the Baldwin Hills CSD noise provisions during the drilling moratorium (2008-2009). He outlined DPH general functions under Title 22 of the California Code of Regulations for CSD provisions, and illustrated the protocol followed for investigating reported complaints each month.

The Quiet Mode Drilling Plan (QMDP) provides certain limitations on oil operational activities on the field during the night-time periods. The methodology that Public Health utilizes for noise monitoring includes random sampling and analysis of the on-site instrument recordings at various points within the surrounding communities around the oil field. The monitors capture every single noise on the field continuously with readings on five-second (5s) intervals, and that more than 30,000 data points are generated within any 12-month period. Noise data is observed monthly by DPH field inspectors on randomly chosen dates, at additional sites surrounding the field, coincidental to the noise monitors deployed by PXP. The machine readers employed by the DPH field inspectors responds to measurements of +/- 3 dBA, and also registers changes by only 1 dBA.

Given the quantity and quality of noise data within this array, Evenor Masis reports that the noise levels observed during the QMDP and overnight periods have consistently been below the 45 dBA Leq nighttime noise limit, on average. He stated that the prevailing noise source for the field is traffic: PXP's contribution to the noise of the area is miniscule in comparison to the constant traffic on the surrounding roadways and background ambience. He maintains that monitoring for 1 dBA is not practical because that small energy change can't be characterized to a specific noise source. Only three (3) times per year have any incidents been reported, even during drilling activities. He also indicated that his resources within the Environmental Hygiene Program are rather limited, with only two staff personnel for these monitoring efforts, and have additional priorities other than measuring redundancies within the current Noise Monitoring Plan, which is working as intended.

D. QUESTIONS AND COMMENTS BY CAP MEMBERS AND THE PUBLIC

Paul Ferrazzi questioned the QMDP/overnight noise levels being reported as equal to 45 dBA Leq on average, when the data in the presentation slide described the levels as less than or equal to 45 dBA Leq on average. John Kuechle clarified that the data indicated that 65 dBA Leq measurements at the interior of the field were reduced to up to 45 dBA Leq at the exterior end of the noise source, and as isolated from the background noise included in the analytical sample. Evenor Masis stated that the various monitoring sites were chosen closest to targets using GPS, and within L.A. County. Gary Gless stated that sound travels upward toward the surrounding communities, and believed the goal of the noise monitoring was to capture environmental noise from the field. He questioned the monitor placement locations, stating they should be positioned closer to the residential properties. Evenor Masis responded that it is important to capture all data impacts from the field, including ambient traffic, and that noises dissipate from noise sources as it travels off the field into the community. Some of the monitoring locations were chosen with ease of use in mind.

A member of the general public inquired if the ambient background noises were statistically random different traffic noises or included singular disruptions such as police or ambulance sirens, for example. Evenor Masis replied that noise distribution comparisons are not-related, like apples to oranges. The noise is recorded direct from non-specific noise sources. Evenor Masis stated that the noises from the field include metal-on-metal contacts from drilling operations. In response to question from the general public regarding any reported noises from fracturing operations, Evenor Masis stated that the overall change in noise from the field overall is only 2-3 dBA, as measured on a logarithmic scale, and is barely perceptible to the hearing of an average observer. Compare the 2-3

dBA of such an operation to the background and community noise which nearly approaches the 65 dBA significance threshold.

Jon Melvin inquired why no sound-walls are used on the field to mitigate the impact of the traffic noises. Evenor Masis stated that the waves of traffic noise completely drown out any noises that PXP may contribute; that sensitivity analyses and scientific techniques demonstrate that. All data points for traffic are in 3-second intervals. George Mallory questioned if the recordings distinguish intermittent traffic noise in comparison to the constant noises produced by PXP. Evenor Masis clarified that the traffic is constant throughout the night, except after the 10 – 11 PM time period at which a drop in the ambience traffic is noticeable. Also during nighttime hours, there are 2-5 minute intervals for aircraft noises near LAX airport at the half hour and hour peaks.

Carrie Tayour presented data previously provided from the Community Survey findings illustrating that respondents are more concerned for other common noise sources in the Baldwin Hills community than noise generated by oil operations at the Inglewood oil field, and by a wide margin. Paul Ferrazzi questioned if thirty (30) total complaints to date were truly representative of the approximately 150,000 community residents surrounding the oil field. Evenor Masis responded that while there were 30 complaints: 28 were unsubstantiated, 1 was an unjustified complaint of humming noise and vibration not attributable to the oil field, and 1 from 2011 was a justified noise complaint, however the noise levels measured during that incident were well below the level of significance.

Jon Melvin reported that clanking can be heard from the oil field during periods of peak noise. Evenor Masis stated there are inherent limitations associated with the County Noise Ordinance; however, to increase the protection factor to the surrounding communities, different health standards are also applied in the analytical process and the assessment is not limited to the PXP noise standard. John Kuechle observed that the noise complaints for 2012 are less than the number reported in the previous years, and trending downward. Evenor Masis clarified that data did not include any of the complaints recorded in the 2012 Complaint Log for the 3rd Quarter. However, the number of complaints appears to be decreasing.

Paul Ferrazzi questioned if the noise monitors located near both on-site flares (the new installation, and the back-up), as well as the gas plant would continue to be monitored by DPH against future need for such noise source data. Luis Perez clarified that noise monitors for point sources are positioned closer to the drill rig, not near the field boundaries.

George Mallory requested further information detailing oil field investigations conducted by DPH field inspectors. Evenor Masis stated that the inspectors for the environmental hygiene program investigate non-specific complaints that PXP received, and forwarded to DPH. Inspectors are not emergency responders to specific individual complaints. Evenor Masis provided direct contact information for the Toxics-Epidemiology Program (telephone and email).

E. REGIONAL PLANNING UPDATE

DRP is in communication with Sonoma Technology, Inc. (STI) regarding their instrument deployment schedule for the next two months. Luis Perez reported that the accumulated soil that was a subject of questions at the last CAP meeting was found to be bioremediated soil being used for beneficial uses within the field. He also stated that an AQMD investigation was ongoing, but that a Notice of Violation/Notice to Comply was issued to PXP on October 19th related to the bioremediation sites. Drilling is set to resume in mid to late November.

F. OPERATOR UPDATE

Lisa Paillet reported that four re-work rigs were on-site. She stated that the 2012 Annual Community meeting had occurred on October 15th, with good turnout of community representatives, and bodes well for continued outreach in the future. PXP will be posting the FAQs/Q&A on their website soon. PXP re-submitted the Landscaping Plans for Phase 3 through 5, to depict fewer trees planned in some areas along the public right of way as requested by DPW. The 3rd Quarter 2012 Groundwater report has been posted on the Inglewood oil field website.

Six (6) total complaints were recorded on the 2012 Complaint Log for the 3rd Quarter: Noise (3), Odor (1), Property damage (1), and multiple/various (1). Lisa Paillet informed that there was an on-going investigation of the bio-farms being pursued by AQMD, and that a Notice of Violation had been issued.

In response to questions asked of the ombudsperson at the previous CAP meeting, Lisa Paillet stated that no new wells are proposed for re-abandonment at this time; that wells re-abandoned in 2012 were in accordance with new DOGGR requirements; no Area of Review (AoR) is currently being pursued at this time; and that either clean or recycled rainwater is used for fugitive dust mitigation on the field. She also stated that PXP has purchased water from both Cal American and Golden State in the past, and will inquire with PXP staff whether Golden State is supplying water to the oil field currently. She reported that no drilling is taking place at this time on the field, as evidenced by less truck and personnel activity, but purchased water is not only used for drilling activities. Paul Ferrazzi stated that likely scenarios for increased water usage would include operation of drilling, re-drilling, and re-working rigs.

G. CAP/OPEN DISCUSSION

A member of the general public inquired when some sections of the DRP website would be completed, to include background information and FAQs. Rena Kambara described some of the information that is being added to the website, and agreed that the website needs to be updated. She stated that the Documents tab of the DRP website had been updated to include the response letter from the EPA.

Paul Ferrazzi inquired when both DRP/DPW will finalize their collaborative efforts regarding the ground movement surveys, and the process to substantiate residential property damage claims. Rena Kambara responded that DPW had provided a letter to PXP regarding their continuing efforts to provide additional data.

In response to a question from the general public regarding the Hydraulic Fracturing Study: Luis Perez stated that no further action by L.A. County is warranted with regard to the Hydraulic Fracturing Study, as prescribed in the 2011 Settlement Agreement. All questions or comments previously submitted may have been addressed within the report, but no individual responses were sent to the individuals that proposed their inclusion to the study. The general public member also inquired if there were any implications on fracturing (fracking) since the Hydraulic Fracturing Study was released, and whether any applications for fracking permits would be required for wells proposed in the 2013 Annul Drilling Plan. Luis Perez stated that the Annual Drilling Plan does not preclude the use of fracking, and that currently, there is no regulatory action or permit issued for fracking activities by the County. He also stated that fracking is not within the purview of DRP or L.A. County, but with DOGGR which is in the process of drafting such regulations subsequent to their workshop tours. There is no notification process by which PXP must inform DRP or other agencies (except DOGGR) that fracking will be conducted at all. Lisa Paillet asserted that the operator has no current plan to perform fracking on any of their wells at this time.

Paul Ferrazzi inquired why no data from the Horn River study was included in the Hydraulic Fracturing study. Mr. Ferrazzi shared a copy of the study with DRP.

A member of the general public questioned the impartiality of the peer reviewer to the Hydraulic Fracturing Study performed by Cardno/Entrix. He also inquired if there were any recourse, actionable process, or critique that could be pursued since the perceived conflict of the peer reviewer invalidated the findings of the study, by having prior involvement with the oil and gas industry. Luis Perez stated that it is difficult to find peer reviewers that are not involved with the oil and gas industries in some fashion: most have worked within the industries to acquire their expertise. Luis Perez suggested that the general public could submit letters to DRP. In response, John Kuechle called for a motion of the CAP to send a letter requesting that the County explain the selection process for the peer reviewer. The motion was seconded and was passed.

Settlement Agreement compliance letters were sent by DRP to the Petitioners in July 2012, and responses have been received. Carol Schwab, for Culver City, stated that the City believes that two additional wells may need to be considered for supplements due to their locations. Lisa Paillet agreed to investigate the matter, and will provide a response at the next CAP.

H. APPROVAL OF MINUTES: (9/27/12) – Approved
(7/26/12) – Approved with changes

I. ANNOUNCEMENTS

- - Next CAP Meeting will be December 6th, at 7:00PM

J. ADJOURN – 9:00 PM

ATTENDANCE: 10/25/12
*(*absent)*

DESIGNATED SEATS PER 22.44.142.J.1.a

Governmental Entities

1	Department of Regional Planning	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 & Production	Lisa Paillet

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	Jeff Dritley (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 (Phyllis Hall)
10	Culver Crest Neighborhood Assoc.	John Kuechle
11	Blair Hills HOA	Jon Melvin
12	Raintree Community HOA	Ian Cousineau
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)

Evenor Masis, Carrie Tayour (DPH)
Luis Perez, Ray Mullins (DRP Consultants)
Tim Stapleton (DRP)