LOS ANGELES COUNTY
OIL AND GAS FACILITIES

STRIKE TEAM
AGENDA

Thursday, October 13, 2016 — 11:00 a.m.
Department of Public Works
900 S. Freemont Avenue, Room A
Alhambra, CA 91803

MEMBERS

Richard Bruckner, Director of Regional Planning
Chief Bill Jones, Designated for the Los Angeles County Fire Department
Cynthia Harding, Acting Director of Public Health
Gail Farber, Director of Public Works

STAFF

Susana Franco-Rogan, Supervising Regional Planner, County of Los Angeles
Timothy Stapleton, Senior Regional Planning Assistant, County of Los Angeles
Jill Jones, Deputy County Counsel, County of Los Angeles

OPEN SESSION

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **PLEDGE OF ALLEGIANCE**

CONSENT CALENDAR

All items listed under the Consent Calendar are considered to be routine and may be enacted by one motion. Prior to the motion to consider any action by the Board, any public comments on any of the Consent Calendar items will be heard. There will be no separate action unless members of the Board request specific items to be removed from the Consent Calendar.

REGULAR CALENDAR

At the discretion of the Strike Team, all items appearing on this Agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the Strike Team.

4. OIL AND GAS FACILITIES COMPLIANCE REPORT PROJECT: BI-ANNUAL REPORT NUMBER 1

- **DIRECT STAFF TO FILE WITH BOARD OF SUPERVISORS AND PRESENT TO ADVISORY PANEL**

5. PUBLIC COMMENTS

6. ADJOURNMENT

Public Comments: At this time members of the public can address the Strike Team (Panel) regarding any items within the subject matter jurisdiction of the agency that are not separately listed on this agenda, subject to time restrictions, by filling out a Public Comment Card and submitting that card to Staff. Members of the public will have an opportunity to speak on agendized items at the time the item is called for discussion. No action may be taken on items not listed on the agenda unless authorized by law. Whenever possible, lengthy testimony should be presented to the Panel in writing and only pertinent points presented orally.

Notices:
If you require special accommodations or material in alternate format, please contact the ADA Coordinator, Office, at (213) 974-6488 (Voice) or (213) 617-2292 (TDD), with at least three business days' notice The entire agenda package and any meeting related writings or documents provided to a majority of the Board of Directors after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are also available.

Background

- On March 29, 2016 the Board of Supervisors directed DRP in coordination with the Fire chief, the Director of Public Health and the Director of Public Works to convene a Strike Team to assess the conditions, regulatory compliance and potential public health and safety risk associated with existing oil and gas facilities in unincorporated Los Angeles County

Board Motion March 29, 2016

- Convene a Strike Team – DRP, DPH , DPW and Fire
- Review Title 22, Zoning Code to prohibit by right oil and gas facilities and improve existing regulations.
- Coordinate with adjacent jurisdictions
- Create an Advisory Panel
- Ensure that County Planning and Code Enforcement services are not negatively impacted

Background

- This effort builds upon the LA County Well Inventory Report completed in December 2015, which identified all existing facilities within the unincorporated area.
- Objectives:
  - Identification of applicable regulations and permit requirements through a regulatory review and review of permit records;
  - Verification of regulatory and permit compliance through site visits;
  - Evaluation of regulatory compliance of facility plans (such as emergency response plans);
  - Description and understanding of existing facility conditions and the neighboring zoning and nearby receptors; and
  - Analysis of public health and safety risk.

Findings

Type	Number
Active	1270
New	24
Idle	393
Total	1,687

County Departments

- Regional Planning;
- Public Health;
- Public Works;
- Fire; and
- County Counsel.

Progress Update

- Kick Off Meeting June 30, 2016
- Second Project Staff Meeting August 18th, 2016
  - Well inspection protocol
  - Facility and Well inspection checklist s
- The Advisory Panel kick-off meeting was held on August 31, 2016.
- Contacted owners/operators of the oil and gas wells
- Conducted Site Visits
  - Matrix Sansinena - 13 Wells
  - Termo Aliso Canyon – 24 Wells
  - Linn Energy Brea Olinda Field – 75 Wells

Well Inspection Protocol

County of Los Angeles Oil and Gas Inventory

- adjacent land use;
- zoning;
- permits;
- security;
- setbacks;
- drilling;
- sumps;
- signage;
- oil field wastes;
- oil field infrastructure;
- secondary containment;
- storm water basins;
- roads;
- bonding;
- noise;
- odors;
- sanitation;
- Emergency Response Plans;
- Spill Prevention, Control and Countermeasure (SPCC) Plans;
- Business Plan (hazmat);
- DOGGR critical wells designation; and
- DOGGR Idle Well Program.

Compliance Checklist

- facility name;
- operator;
- facility and surrounding area land use;
- facility and surrounding area zoning;
- location of closest residence;
- location of closest school;
- location of closest drainage or creek;
- DRP permits;
- DOGGR permits;
- County fire permits;
- facility operational notes;
- neighbor issues and complaint history; and
- all environmental issue area subjects identified in the Protocol.

Well Checklist

- well identification;
- well field;
- well lease;
- DOGGR well status;
- well status at time of field visit;
- required signage;
- DOGGR critical wells and associated requirements; and
- idle wells, idle well testing, and idle well history.

Matrix Sansinena facility

- Inspected on August 9, 2016
- The Matrix Sansinena facility consists of 13 electrically powered wells and a 3 phase emulsion pipeline to an offsite production area known as Site 8 located in the City of La Habra Heights.
- No storage tanks, flares, or any processing equipment
- The wells have been idle for approximately one year, and the facility is not currently operational.
- The facility recently changed hands from CRC to Matrix, and the new company is preparing to bring the facility back into production.

County of Los Angeles Oil and Gas Inventory

Matrix Sansinena Findings			
Issue Area	**Checklist ID Code**	**Description**	**Compliance Notes**
Setbacks	SB.2	Wells are within setback distance identified by DOGGR for critical wells.	DOGGR has not made a determination on critical wells status designation. All wells currently idle. Critical wells require additional safety measures and equipment.
Security	S.3	Outer fence does not have DOGGR required 3 barbed wires at top of fence.	Inner fence does have 3 barbed wire design but does not completely encircle facility. Access to the facility is not limited by DOGGR compliant fencing.
Secondary Containment	SC.3	Berms and storm water sumps may not be sufficient to contain large release.	Not all areas are protected by berms and containment. Large release unlikely because facility does not have tanks or pressure vessels, wells have individual cellars.
Emergency Response Plan	ER.2	Emergency Response Plan (ERP) approval.	Facility operators indicated that an ERP is currently under revision; to be submitted to County for review upon completion.

Termo Aliso Canyon Facilities

- Canyon and Oat Mountain facilities were inspected on August 16, 2016
- Facilities consist of 24 total oil wells, two tank farm/processing locations and associated pipelines
- The dehydrated oil is stored in stock tanks prior to shipping to market by tanker truck.
- The produced water is stored in tanks and then re-injected back into the producing formation via either a water injection well or transported by pipeline to the adjacent Southern California Gas Company facility
- The produced gas is dehydrated by gas scrubbers and transported via an existing pipeline to the Southern California Gas Company facility.

County of Los Angeles Oil and Gas Inventory

Termo Aliso Canyon and Oat Mountain Findings			
Issue Area	**Checklist ID Code**	**Description**	**Compliance Notes**
Signage	SG.2	A vessel at well pad site should be labeled	Gas separation vessel at Oat Mountain Del Aliso Well 1-4 pad site needs to be appropriately labeled
Bonding	B.1 thru B.3	Bonding information	Bonding information for both DOGGR and County requirements submitted, under review by County
Secondary Containment	SC.4	Dikes/berms	Maintenance on existing and new installation of berms for all well cellar areas was underway at the date of the site inspection.
Fire	F.5	Flow tests for fire hydrants	No flow test data available, test data will be submitted in near future.

The Linn Energy Brea Olinda Field

- Inspected by the Strike Team Staff on September 15 , 2016
- The facility consists of 7 active wells, 58 idle wells, 10 plugged and abandoned wells, one emulsion storage tank, and a 3 phase emulsion pipeline to an offsite production facility.
- The offsite production facility, the Brea Canon Production Facility, is located in Orange County.
- All active wells are powered by electricity
- Linn Energy has an active plug and abandonment program with 10 plug and abandonment well operations completed and approximately 10 idle wells scheduled for plug and abandonment per year.

County of Los Angeles Oil and Gas Inventory

Linn Energy Brea Olinda Field Findings			
Issue Area	**Checklist ID Code**	**Description**	**Compliance Notes**
Oil Field Waste	FW.4	Some scrap metal and concrete is located throughout the field, material does not belong to operator.	Material does not belong to current operator of wells and does not pose significant visibility or aesthetic impact.
Fire Department Oversight	HM.1 F.2	The Orange County Fire Department oversees the Brea-Olinda Oil Field due to the fact the majority of the field is located in Orange County.	Orange County Fire has agreement with LA County Fire to continue as the AHJ (Authority having Jurisdiction) to continue oversight of the Brea-Olinda Oil Field.

Recommendations to the Board

- One component of the Project is for Staff to provide recommendations to the Board on the following:
  - legislative positions;
  - regulatory positions;
  - legal positions as necessary; and
  - other facilities that may benefit the County by undergoing a similar review.
- Recommendations on legislative, regulatory and legal positions are premature at this time and are reserved for the forthcoming reports when more facilities have been inspected, more data has been collected and a comprehensive list of recommendations can be assembled.

Recommendations of Other Facilities to be Evaluated

- Oil and gas well fields may cross jurisdictional boundaries, wells may be associated with processing facilities located in an adjacent County or City, or oil from wells located outside the County may enter the County by pipeline or tanker truck.
- Review of relevant oil and gas facilities located outside County jurisdiction under the parameters of the Project.
- Oil or gas pipelines that meet certain characteristics.
- Orphan and Abandoned Wells

Future Project actions

- Oil and gas facility site inspections are planned for California Resources Corporation (CRC), Breitburn Operating L.P., Brea Canyon Oil Co., Crimson Resource Management Co., Hawker Energy Inc, LBTH Inc, and Watt Minerals Holdings LLC, in the months of October through December 2016;
- additional operators will be contacted for future site visits;
- continued coordination and data gathering with other regulatory agencies will continue to occur as needed;
- Project Staff meetings as needed;
- Upcoming Advisory Panel meetings; and
- Future biannual report preparation.

Questions