

Baldwin Hills Community Standards District (CSD)
Community Advisory Panel (CAP)
Minutes: 4/26/12
FINAL

- A. CALL TO ORDER – 7:00PM
- B. AGENDA – Approved
- C. JASON MARSHALL, CALIFORNIA DEPARTMENT OF CONSERVATION
GUEST SPEAKER: DOGGR REGULATIONS & UPDATES

Mr. Marshall affirmed that Department of Conservation (DOC) and Division of Oil, Gas, and Geothermal Resources (DOGGR) presence at the CAP will continue, and thanked the community for their emailed follow-up questions from the March 8th CAP. He stated that two budget hearings had been held in Sacramento, and informed the CAP that DOC has committed to six (6) workshops across the State encouraging community members to provide direct input in an effort to draft regulations for fracturing operations. Current regulations for well drilling and construction guidelines in California are set very high, and are the highest standards anywhere in the county. DOGGR currently regulates well completion activities (including fracturing), but DOGGR currently doesn't require any separate notification for fracturing. Therefore, the exact number of wells fracked in CA cannot be determined. Correcting this data collection will be part of the new regulatory framework to be designed. High-level issues will be captured at these workshops. Although the workshop schedule has not been set, there will be a workshop held in Culver City. All public noticing available on the DOC website: www.conservation.ca.gov.

Additionally, the California Council of Technology has commissioned a study, in conjunction with DOGGR, to review historical data and literature to identify issues to be addressed by the potential regulation to be created; utilizing science to advise and drive the regulatory process. There are no known environmental negative impacts due to fracking, no known evidence of environmental hazards. In addition, according to Mr. Marshall, the depictions shown in the movie "Gasland" have been disputed.

Underground Injection Control (UIC) Program

An Underground Injection Control program is an enhanced recovery process: production wells are stimulated by utilizing applied pressure from injection wells over a period of time. DOGGR issues area of reviews (AORs) to find out if wells within the injection zone contain wells that may be compromised or abandoned prior to present standards. Those wells that have been compromised must be remediated prior to using the injection well. It is not advantageous to the operator to create pressure on wells that may express to the surface, or into groundwater. Therefore, an AOR is necessary for an enhanced oil recovery process. DOC is currently reviewing such a plan with the Operator (PXP), which is currently re-plugging wells, and testing their integrity.

- D. QUESTIONS AND COMMENTS BY CAP MEMBERS AND THE PUBLIC

Fracking notification to DOGGR

DOGGR is onsite during fracturing operations to assess if best practices were used by the operator as proscribed. It is necessary that well integrity be measured before and after fracturing a well. DOGGR also reviews records and permits. Most fracturing jobs are not long processes, an expression of fluid over time at a specific pressure.

Hydraulic Fracturing Workshop

The scheduled workshops will be similar to the Governor's listening tours, only more focused. DOGGR is interested in what the public thinks should be done about fracking. These workshops will not be overly technical.

Fluids contained within fracture

During the fracking operation, fractures are filled with fluid. The fluid is then returned back to the well. In Class II wells, all fluids are reclaimed back to the closed-system well, with waste water used for additional fracking or underground injection use. The process of fracking is to break well production layers: penetrate the reservoir rock for additional recovery, but not break its formation. The well itself is a vacuum; fracking is used to temporarily increase pressure on the source, and then remove it. The fluid and product are drawn back to the well and up.

DOGGR approves well fracturing at a certain pressure, usually determined by operators with a step grade test. It is important that the pressure used for fracturing be below that which is known to break the well formation.

Fracking in an urban environment

According to a CAP member, the USGS has stated that it is inadvisable for fracturing operations to occur within an urban environment. An important distinction must be addressed by the operator: the disposal of the water, whether it is by disposal well or within a balanced fluid injection versus oil recovery system. Fracking in California is specific to Class II wells, which may be used in an underground injection control program, and DOGGR is comfortable with current UIC regulations, after audit and the new EPA recommendations. DOGGR administers chemical disposal to Federal regulations, including California Environmental Quality Act (CEQA) and the Clean Water Act (CWA).

Fracking causes subsidence and/or uplift

Dynamic subsidence/uplift has occurred at the Inglewood oil field, and there are various external factors which may not be attributable to PXP's oil operations: building houses on uncompacted fill, for example. It can be challenging to determine any singular impacts to subsidence or uplift.

AB591/SB1094

After the DOC Hydraulic Fracturing workshops, both these disclosure and noticing bills will still be in play within the legislature in Sacramento. Currently, it is not within DOGGR's existing authority to request operators to provide proprietary information. Frack fluids, percentage composition, and water volumes are being voluntarily disclosed, without any proprietary data or trade secrets, by oil operators across the county and can be found on the forum www.FracFocus.org.

Groundwater monitoring

Groundwater wells are monitored by the Regional Water Quality Control Board. They receive the permit requests from PXP, and are drilled to a depth of 400ft. Data collection on these monitored wells will be included in the Fracturing Diagnostic Study.

E. REGIONAL PLANNING/ECC UPDATE

Rena Kambara provided a summary of the MACC, also held on April 26th, 2012: the Dept. of Public Health (DPH) reported that the Community Health Survey report was ready for release, and will subsequently be presented to the CAP. DPH also continues to monitor noise at the oil field by conducting independent and random inspections, and reported that no exceedances have been reported throughout the last four years.

Luis Perez clarified that the operator is already complying with new EPA proposals regarding total containment of Volatile Organic Compounds (VOCs). Whereas most operators vent methane into the atmosphere, PXP employs a closed system vapor recovery system. During both test frack wells, there was no opportunity for VOCs to escape - they were piped into the gas plant, and dealt with as a normal operation. SCAQMD's rules for VOCs in California are greater than the EPA regulation proposals.

In answer to several questions from the public regarding the current ground movement study: the CSD is very specific what is to occur once there is an exceedance of 0.6 inches in ground movement at the oil field. PXP is to review and analyze all claims or complaints of subsidence damage, and prepare a report that assesses whether any of the subsidence claims were caused by PXP, and submit the report to both DPW and DOGGR. DPW, in consultation with DOGGR, will then go through the report, and assess their findings for applicability. There is no provision explicit to the CSD that protects homeowners or limits their liabilities with regard to subsidence not determined to be caused by oil operations.

J. OPERATOR UPDATE

The operator has drilled 11 new wells to date, and reported there were 4 work-overs. DPW requested additional information for inclusion to the Water Management plan. The operator reported that they have revised the Accumulated Ground Movement report to include updated drilling and contour maps. The new flare has been installed, and operational. The old flare will be used on-site as a backup, until it is not needed.

There were thirteen (13) complaints received by the operator during the 1st Quarter of 2012, as detailed in the Complaint Log: 2 property damage (received from Windsor Hills and Lamert Park location – both of which were included in the ground movement assessments currently being performed); 10 odors (identified as weed killer used in the meadow installation of the Landscaping Plan). 5 odor complaints did not pertain to any known incidents. A large incident was reported on the news as occurring in Playa Del Ray/Wilmington/Long Beach, but had no correlation to operations on the field.

K. APPROVAL OF MINUTES (12/15/11, 1/26/12)
Postponed

L. CAP/OPEN DISCUSSION
Postponed

M. PUBLIC COMMENT
Postponed

N. ANNOUNCEMENTS
Next CAP Meeting will be April 26th, at 7:00PM

O. ADJOURN – 9:00 PM

ATTENDANCE: 4/26/12

(*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	Rose Marie Joyce*

Operator (per 22.44.142.C)

4	Plains Exploration & Production	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	Jeff Dritley (Alternate)
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 (Alternate)
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 (Alternate)
20	Baldwin Hills Conservancy	David McNeill
21	The City Project	Robert Garcia*

Pat Hachiya (DRP)

Luis Perez, Ray Mullins (DRP Consultants)

Candace Salway (PXP)