

BALDWIN HILLS CSD
COMMUNITY ADVISORY PANEL (CAP) MEETING
Minutes April 24th, 2014
FINAL

A. Call to Order - 7:00 PM

David McNeil Chair.

B. Announcement of Agenda

Approved.

C. Regional Planning/ECC Update – Tim Stapleton

Compliance Document Submittals Mr. Stapleton noted the compliance documents that have been uploaded to the web site; First Quarter 2014 Groundwater Monitoring Report, First Quarter 2014 Complaint Log. Mr. Stapleton briefly discussed the Stocker Slope Restoration Plan and that the plan has been approved by DRP.

Periodic Review Mr. Stapleton announced the periodic review comment period ends Monday April 28.

Air Quality Study Report will be provided next month approximately a week before the May CAP meeting. The report will be presented at the CAP meeting by the consultant that completed the study.

D. Operator Update – Laura Vlk

Drilling Update Ms. Vlk noted 10 new wells have been drilled to date in 2014 and that there are currently no re-working rigs on the field. No changes to drilling plan have been made to date.

Compliance Document Submittals Ms. Vlk listed the recently submitted FM O&G compliance documents; First Quarter 2014 Groundwater Monitoring Report, First Quarter 2014 Complaint Log, and the Stocker Slope Restoration Plan.

1st Quarter Complaint Log Ms. Vlk summarized the complaints by type; 7 odor complaints, 5 noise. Mr. Gless asked about maintenance rigs, Ms. Vlk did not have that data available. Ms. Sahli-Wells asked about the Culver City police noise complaint; Ms. Vlk checked the log and provided additional information about the screeching sound in the complaint. The cause was a broken Pitman arm on an operating well, the well was repaired and returned to service. Ms. Steva asked about whether the broken well equipment noise was captured on the noise monitoring equipment and Ms. Vlk noted that the noise monitoring equipment is set up to monitor drilling activities. Ms. Vlk further noted that FM O&G operators would have found the noisy equipment during normal field rounds if a noise complaint had not been filed.

Stocker Slope Restoration Mr. McNeil asked about the schedule for the project, Ms. Vlk noted that permits are under review at County Building & Safety/Public Works. FM O&G is planning to start as soon as possible to allow for the planting activities to occur during the winter time frame.

Question on AQMD Issue Mr. Ferrazzi asked about AQMD enforcement action update, Ms. Vlk did not have any updated information on the subject.

E. Periodic Review Update – Tim Stapleton/Luis Perez

Process Overview Mr. Stapleton referenced a summary table of comments made to date is available to the CAP. Mr. Perez noted that there would not be a presentation on the periodic review at this meeting, but rather an open forum for the public to provide comments on the document. Members of the public were invited to voice comments and or write comments down on an easel for discussion. Mr. Perez further noted that comments could continue to be submitted via email or letters up through the end of the comment period on April 28. Mr. Perez outlined the remaining steps in the periodic review process; a final report will be prepared with additional data and include the comments received, the report will go before a County hearing officer at which the public will have the opportunity to make additional comments.

Insurance/Bond Comment Mr. Kuechle commented that he was expecting a presentation and a response to his previous comments to facilitate further discussion and comment on the document. Specifically, Mr. Kuechle commented that the discussion in the review regarding the insurance and

bond amounts in provisions G.4 and G.5 is inadequate and the CAP needs data in order to discuss and comment on the issue; this was one of Mr. Kuechle's earlier comments on the document. Mr. Kuechle further noted that his comments on the subject were intended to allow time for additional information on the insurance and bond issues to be provided in the periodic review so that the CAP would have sufficient information to make informed comments on the document. Mr. Perez discussed the periodic review process and that comments will be addressed as part of the final draft document. Further, he noted, the insurance and bond issue is being looked at by both County Counsel and MRS and additional data will be provided in the final periodic review document. Mr. Kuechle commented that the CAP should see some concrete information on the subject so that issues such as this one can be finalized as opposed to merely being discussed year after year.

General Comments Mr. Gless noted that the analysis seems to gloss over some of the concerns voiced by the public and appears to state there are no problems with the oil field; further he requested that the analysis should be revised. Mr. McNeil noted that the review concentrates on implementation improvements as opposed to language modifications. Further, he asked about the process regarding the Director of DRP and how the recommendation/changes in the document are made and that the review does not have any new requirements. Mr. McNeil noted the recommendations need to have timelines such that they will happen as opposed to simply being a paper exercise.

Specific Periodic Review Comments

Ms. Steva

- CHC will be providing a comment letter.
- Strengthen the recommendations.
- Noted that the Air Quality Study was not conclusive and should be.

Ms. Sahli-Wells summarized the forthcoming Culver City comment letter:

- Prohibit fracking or other well stimulation methods until regulations are in place.
- Landscaping progress is behind schedule and is needed to screen oil field from Culver City.
- Oil field studies should be adequate, accurate, and funded such that they can be completed properly.
- Public noticing should be more comprehensive than CAP and web site.
- Request for a MACC and CAP combined meeting.
- ERP drills should involve neighbors because of fire danger.
- New technology should be explored further in the document.
- Insurance and bonding coverage and rational for the numbers should be provided.
- Cap membership attendance issue should be reviewed.
- Consolidate drill pads to allow for expansion of public open space.
- AB32 impact from drilling on GHG emissions and the State GHG goals is a concern of Culver City.

Mr. Kuechle

- Add key to cover sheet map.
- Map on page 4 should be larger and have a better key.
- Recommendations on page 10 should be requirements rather than recommendations; a "recommendation" does not really provide for any real enforcement or action. Specific provisions noted were E.4.e, E.15.a, E.19, and E.28.b, recommendation E.4.e should be required immediately.

Horizontal Drill Paths\Mineral Rights Discussion A member of the public and Ms. Sahli-Wells noted that there are area resident concerns on horizontal drilling paths and the potential for bottom hole locations to be under homes. A request was made for oil field boundaries, DOGGR boundaries, and CSD boundaries be explained with the idea that drilling may be occurring under residential homes. Mr. Perez referred the CAP to the EIR which provides several maps of the subject matter. Concerns were voiced about potential drilling paths that go under Culver City. Mr. Perez explained that the annual drilling plans contain both top hole and bottom hole locations for all wells drilled in the last 5 years or since the CSD. The drilling plans, however, do not include Culver City only those in the County. Wells prior to the CSD are noted and mapped in the EIR.

Ms. Sahli-Wells asked about the mineral rights issue and that mineral rights are separate from surface rights. Mr. Perez noted that although the reservoir that contains the oil and gas may be under land that has businesses, parks and residences on them, the minerals can be extracted because FM O&G owns the “mineral rights” to the minerals beneath the land surface. A mineral right is part of the property rights of a parcel and may be sold, transferred, or leased. Mineral rights are distinct from “surface rights,” or the right to the use of the surface of the land for residential, agricultural, recreational, commercial, or other purposes. Mr. Dusetta noted that no bottom hole locations have occurred outside the Inglewood Oil Field since the CSD as detailed in the periodic review. Several commented that the Inglewood Oil Field boundary is different than the CSD and or DOGRR boundaries. Mr. Perez commented that additional information on the different boundaries will be added to the periodic review.

Mr. Shockley explained that in order to drill anywhere one needs to have the mineral rights. Several people commented that they do not own the mineral rights under their own homes, thus, they do not know what may or may not be occurring on the subject. Mr. Perez noted that the EIR contains a discussion on the mineral right subject and the operator’s requirements for drilling. Mr. McNeil summarized the public’s concern about drilling under homes and/or outside the boundaries of the CSD. Mr. Ferrazzi noted that the DOGRR maps contain information on the subject but are not a complete map of down hole locations from the top hole locations. A map available to the public was discussed and how one could be generated and distributed. Further discussion noted that a title search is necessary to research past mineral right documentation. Mr. Perez noted that surface owners are not necessarily notified if drilling is to occur under their property and directed the public to the EIR for the subject discussion. Ms. Sahli-Wells reinforced the concern that she and members of the public have regarding the horizontal drilling issue. Mr. McNeil concluded the discussion commenting that the public would like to know more about the drilling, various regulatory and reservoir boundaries, and surface versus mineral rights. Ms. Sahli-Wells requested that a map be added to the periodic review to provide the information.

A member of the public asked about forced pooling of mineral rights. Mr. Ferrazzi summarized the forced pooling issue and how a group of mineral right owners can be grouped together pursuant to Public Resources Code 3608 to determine whether the resource will be explored. Mr. Kuechle commented that mineral rights owners receive royalties even if they voted against producing the resource. Mr. Shockley described pass through rights whereby a horizontal drilling operation would need to obtain permission from subsurface owners to drill through an area to reach an adjacent area. Mineral rights were further discussed and that the mineral right law is contained in the CA Civil Code. Mr. Perez reiterated that the EIR contains a thorough discussion on the mineral right/surface right issues. Mr. Stapleton noted that drilling permits are subject to zoning and other surface land use regulations and requirements.

F. CAP/Open Discussion – David McNeil

Ms. Spiva noted that the landscaping recommendation in the periodic review should be specific and set actual timelines because the progress of the landscaping at the oil field has been very slow to date. Mr. Perez noted that the settlement agreement extended the landscaping timelines and Mr. Stapleton reviewed the landscaping provision for the CAP.

Mr. Gless asked about the follow up geotechnical work being done at certain homes and the party responsible for the follow up studies. Ms. Vlk noted that the work is being done by a consultant through FM O&G.

G. Public Comment – David McNeil

Combined with CAP/Open Discussion, see above.

H. Approval of Minutes – David McNeil

March 2014 minutes approved with Michael Montgomery revisions and correction to landscaping status detail from Laura Vlk, FM O&G. Ms. Hsu noted that she is the new CAP member for the City Project.

I. Announcement – Next CAP meeting May 22, 2014. Adjourn 8:20.

ATTENDANCE: 4/24/14

(*absent)

DESIGNATED SEATS PER 22.44.142.J.1.a

Governmental Entities

1	Department of Planning	Timothy Stapleton
2	City of Culver City	Meghan Sahli-Wells
3	West Los Angeles College	Nabil Abu-Ghazaleh*

Operator (per 22.44.142.C)

5	Freeport McMoran Oil & Gas	Laura Vlck
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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)

6	Vickers Family Trust	Roger Shockley
7	Cone Fee Family Trust	Nancy Snowden for Liz Gosnell*

Neighborhood Organizations (Recognized Homeowners Association)

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

Neighborhood Organizations (No Recognized Homeowners Association)

15	Ladera Crest Homeowner	Rene Talbott*
16	Baldwin Vista Homeowner	Irma Munoz*

School Districts

17	Los Angeles Unified	Glenn Striegler*
18	Culver City Unified	Katherine Paspalis*

Neighborhood Organizations (All Others)

19	Windsor Hills Block Club	Toni McDonald-Tabor*
20	Community Health Councils	Erin Steva
21	Baldwin Hills Conservancy	David McNeill
22	The City Project	Daphne Hsu