

BALDWIN HILLS CSD
COMMUNITY ADVISORY PANEL (CAP) MEETING
Minutes March 27th, 2014
FINAL

A. Call to Order - 7:00 PM

David McNeil Chair.

B. Announcement of Agenda

Approved with revision to agenda order to move the Public Works presentation (agenda item E) to go next as item C. Approval of the December 2013, January 2014, and February 2014 minutes was discussed, see item H below. FM O&G provided comments on the February minutes.

C. Public Works Presentation – Michael Montgomery

Mr. Montgomery made a power point presentation on the 2013 ground movement report for the 2012 production year. Mr. Montgomery described that 3 consulting companies that are involved in the report generation and review (PSOMAS, Fugro, & Stratagen). Stratagen reviews the report from a petroleum geology standpoint to assess the impact, if any, of the oil field activities on the ground movement at the oil field. Results for the 2012 year indicated only one survey point that showed vertical ground movement greater than the 0.6 inch CSD criteria, there were four survey points that showed horizontal movement greater than the CSD criteria. Mr. Montgomery noted that there are 5 baseline survey points located outside the oilfield and 40 survey points in the oil field. Mr. Montgomery further noted that due to the dynamic tectonic nature of California, survey points throughout the State show movement in many directions over time. The survey point that is showing the vertical movement was discussed as being potentially affected by a tree and PSOMAS has recommended moving the survey point. Mr. Gless requested that the survey point remain and a new survey point be installed as opposed to moving it to allow for comparison of the data points, Mr. Montgomery stated that he will make the recommendation.

It was noted that the relative movement has slowed down from the 2011 to the 2012 data sets. Mr. Montgomery exhibited a slide showing the comparison of production versus injection rates at the oil field, the overall average difference is less than 1 percent. Jason Marshall with the Department of Conservation asked about the location, top or bottom of well bore, on the injection/production numbers and Mr. Montgomery noted the data is for the bottom hole locations. Mr. Montgomery gave an overview of how Fugro analyzes the data to determine if the oil field may be causing ground movement. He indicated that the data is organized by cylindrical volumes around each survey point and the amount of fluid withdrawn and injected is compared to the movement in order to determine if there is a relationship. DOGGR has requested that the operator utilizes individual fault blocks to perform the same analysis. Mr. Montgomery noted that the fault blocks may or may not prevent fluid from moving across fault block units. Mr. Marshall noted that the DOC is working to research and refine this approach and that additional data is necessary for the analysis to move forward. Mr. Marshall noted further that this type of ground movement is common in California oil fields most notably in Kern County.

Mr. Montgomery described that active faults are those faults that have moved in the last 11,000 years. The Newport Inglewood fault is an active fault and is located in the Alquist-Prilolo fault zone, Mr. Montgomery noted other faults in the Alquist-Prilolo may also be active which is why studies are required for structures to be located in the zone. A member of the public inquired about set-backs for wells from the fault zone, Mr. Marshall noted that the set-back applies to structures but not wells and provided an example that applies to pipelines crossing faults that are required to have valves to shut off flow in the event of an earthquake.

Mr. Montgomery described the InSar survey process which utilizes satellite monitoring of the movement of the survey points. An example of Mt. Edna was shown to describe how the InSar analysis works. The InSar data shows the same vertical movement at the same survey location consistent with the ground movement report data. Mr. Montgomery made hard copies of the presentation available. It was noted that drought years can cause similar ground movement as the amount of water in the ground varies year to year. Mr. McNeil asked about the next steps for the fault block analysis and where DOGGR is regarding schedule on the data analysis. Mr. Marshall provided a summary of DOGGR's role in the CSD and that ground movement survey results greater than the CSD criteria are what triggers DOGGR involvement and coordination with the County to investigate potential damage. Mr. Marshall further noted that more data is needed and that data has been requested by DOGGR to FM O&G. DOGGR sent a letter in May 2013 requesting the additional data, the data has not been received to date. The Windsor Hill School situation was also discussed and DOGGR is looking into the cracking and damage at that location. Mr. Gless asked about whether the data indicated the fault blocks were moving and Mr. Marshall noted the analysis is not clear yet on what is occurring and how. Mr. Ferrazzi asked about the scope and development of the ground movement survey and why the data does not provide the information needed to determine the cause of the movement. Mr. Marshall noted that past oil field activities and the associated data have indicated movement was in fact caused by oil activities, however, oil field operations have changed since then and the recent data does not indicate such a cause and effect relationship. More data is required to understand the situation.

A question was asked about the data that has been submitted to DOC/DOGGR and the specificity of it. John Geroch with DOGGR explained that the data covers multiple wells and multiple zones and thus is not detailed enough to fully understand the ground movement in relation to the oil field activities. Mr. Marshall provided an example of the complexity of the problem whereby a certain section of data could cross multiple fault block zones. The data request and FM O&G response was noted as an iterative process and DOGGR is working toward obtaining the level of data necessary to complete the analysis. It was also noted that the issue at the Windsor School is a priority for DOGGR. A question was asked about well stimulation techniques as a potential cause of ground movement; Mr. Marshall noted that very short term well stimulation techniques are not typically associated with the long term ground movement issues being studied with the ground movement surveys. Disposal wells were also discussed and the Inglewood oil field does not contain any disposal wells.

Mr. Ferrazzi provided an InSar animation video of the movement at the oil field from 2008 to 2012.

Mr. McNeil asked about subsidence issues after oil well drilling ceases. Mr. Geroch noted that movement would continue due to tectonic forces. Mr. Gless asked about continued monitoring after cessation of oil field activities to check on potential movement caused by water moving because the well bores cross fault zones; Mr. Geroch noted that continued monitoring would not be required and that ground water moves throughout geologic structures constantly. Lisa Paillet asked about if movement caused by abandoned oil wells had occurred elsewhere in the surrounding area due to the large number of old oil wells, Mr. Geroch noted DOC has not seen this occur. Mr. McNeil concluded the discussion with the fact that DOGGR will continue to work on the issue and continue to coordinate with FM O&G to get the necessary data.

D. Regional Planning/ECC Update – Tim Stapleton

Compliance Document Submittals Mr. Stapleton listed the recently submitted FM O&G compliance documents; Spill Containment Response Training, Quiet Mode Drilling Plan training, Archaeological training, Oil Field Clean-up & Maintenance, Annual EQAP report, SIMQAP worker notification, Emergency Response drills, Odor Minimization Plan, Air Monitoring Plan, and Fugitive Emissions Plan.

Air Quality Study Mr. Stapleton noted the Air Quality study is on schedule and will be presented at the May CAP meeting.

RWQCB Permits Two updates on RWQCB permits were summarized with the first for discharge (NPDES permit). Mr. Stapleton noted that the permit was implemented for the February 28, 2014 storm water discharge from 4 of the oil field storm water basins (Stocker, LAI, Dabney Lloyd, and Upper Vickers). Samples were taken during the discharge, the lab analysis of the samples will take 4 weeks. Results will be included in the quarterly reports with the first quarter 2014 report due May 15, 2014. The other permit is associated with the land unit treatment facilities which are not active and therefore the monitoring underneath them is not currently required.

MRS Periodic Review Power Point Uploaded to County website.

E. ECC Update - Dean Dusette

Three follow ups to questions from last CAP meeting:

MSDS Odorant The document was provided along with a photo of the pumping unit. The odorant is mixed 20 parts water to one part odorant.

Air quality monitoring calibration Mr. Dusette described the calibration process and handed around photos of the calibration equipment and calibration process. The sensors are checked daily with ambient air and then with span gas to check that they alarm at the proper trigger points.

Noise Monitoring The noise monitors are calibrated manually prior to each use and automatically every night at mid night. The monitors are overseen by Behrens Noise Monitoring consultants.

F. Operator Update – Ms. Lisa Paillet

Ms. Paillet noted there are currently two re-working rigs on the oil field. Updates to the Unused and Abandoned Equipment Plan, EQAP Report, and the training documents listed above were noted.

Earthquake Ms. Paillet provided the accelerometer reading from the earthquake as 1.2% of gravity or 10% smaller than the CSD compliance criteria. Mr. McNeil and Mr. Kuechle both asked about the CSD process FM O&G must follow in responding to the accelerometer reading. Mr. Dusette explained the CSD provision requirement and noted that FM O&G receives an email if the reading is at or above the criteria threshold. The oil field must shut down if an earthquake triggers an accelerometer reading over the CSD criteria, the applicable CSD provision is E.4.g. Mr. Dusette further noted that the data is available to the public online at the USGS web site.

Flow Line Release March 7, 2014 leak from 3 inch flow line, 10 barrels of produced water and 3 barrels of oil. The site was cleaned up and the well was put back into service the same day. Applicable agencies were notified of the spill. Mr. Dusette noted he inspected the site after the spill and again after the pipe had been repaired.

Drill Rig Question Mr. Gless asked about why the drill rig appeared to be raised and lowered several times in the same location and Ms. Paillet explained the rig actually moved to a new well location very close to the previous one and therefore the rig was not being raised and lowered in the same spot.

Drilling Mud Question 2,400 tons were taken to landfills last year. The drilling waste is tested by FM O&G prior to disposal and tested again by the landfill operators. The drilling waste is non-hazardous as it is a combination of drilling tailings and non-hazardous drilling mud.

Soil Piles Mr. Gless asked about soil piles at the oil field and Ms. Paillet noted the soil in question is on County property.

Odor Complaints Mr. Kuechle noted he received 4 or 5 complaints via email about odors and asked Ms. Paillet about them as he was out of town at the time. Ms. Paillet discussed a single complaint that was received by FM O&G and noted that the people that contacted Mr. Kuechle need to contact the 1-800 number for FM O&G to be able to follow up on the complaints.

Wells drilled through a fault zone Mr. Ferrazzi had asked about the number of wells drilled through fault zones at previous CAP meetings. Ms. Paillet responded that FM O&G will not provide that information to the public.

Adjacent Area Odors Ms. Gosnell asked about odors near National Street and Mr. McNeil noted that the odors are from sewer/sewer venting and the cause is under investigation by Culver City and others.

Bio Farms Mr. McNeil asked about the status of the bio farms, Ms. Paillet noted they are not in operation and not scheduled for future operation at this time.

Landscaping Update Ms. Paillet provided that landscaping efforts will begin again (Phase 4) along the sides of La Cienaga in May or June 2014. Phase 6 is under FM O&G internal review and Phase 7 is in the design stage.

G. Periodic Review Update – Tim Stapleton

Few comments have been received to date. Mr. Kuechle noted he would like to hear back from the County on the comments he provided last month. Mr. Dusette noted that comments were provided at the last CAP meeting, they are acknowledged in the minutes. Mr. Gless commented that the ground monitoring surveys be performed twice a year as opposed to once a year. Mr. Stapleton requested that Mr. Gless provide an email detailing his input to be added to the periodic review comments. Comments are due by April 28, 2014 and can also be made at the April 24, 2014 CAP meeting.

H. Approval of Minutes – Tim Stapleton

Mr. Stapleton received a request from Mr. Ferrazzi for the December 2013 minutes, the request was read to the CAP and the CAP voted to approve the requested revision to the minutes. The January 2014 minutes were approved. FM O&G provided comment on the February 2014 minutes and the minutes were approved with the revision.

I. Announcement – Next CAP meeting April 24, 2014.

J. Adjourn – 8:40.

ATTENDANCE: 3/27/14

(*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	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)

6	Vickers Family Trust	Roger Shockley*
7	Cone Fee Family Trust	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 for Ramya Sivasubramanian*