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CASE NO. ZA -1965-17528(PA5)
APPROVAL OF PLANS –
DETERMINATION OF METHODS AND
CONDITIONS
1349-1375 Jefferson Boulevard
South Los Angeles Planning Area
Zone: C2-1VL-O, RD1.5-1-O, R2-1-O
D. M.: 120B197
C. D.: 8 – Marqueece Harris-Dawson
CEQA: ENV 2016-4823-CE
Legal Description: Lots 1-4, 7-10, and 21-
24, Block G, Poole and
James Tract

The Office of Zoning Administration hereby issues this Plan Approval Determination which results from the research and findings of this office, the Petroleum Administrator's Office and concerns and claims raised by residents and stakeholders from the community surrounding the Jefferson Oil Drill Site Operation. This Determination requires an immediate response from the operator to demonstrate compliance with all of the conditions of approval imposed on the Jefferson Oil Drill Site operation.

This Determination is in response to correspondence and reports received by the Office of Zoning Administration, the Council District Office and other regulating agencies claiming that the Jefferson Oil Drill Site has become a major concern to the neighboring residents, stakeholders and community groups and that the drilling operation has failed to comply with the conditions of approval imposed by prior actions of this office. Research of records from the Department of City Planning, the Department of Building and Safety, the Los Angeles Fire Department, the Southern California Air Quality Management District, and the California Department of Conservation, Division of Oil, Gas, Geothermal Resources was conducted before issuing this Determination. Also, a review of current oil drilling and oil production best practices used to safeguard communities was conducted as a part of the evaluation of the Jefferson Drill Site operation.

This Determination is not a renewal or a re-approval to allow any expansion of the operation, but shall supersede the prior Office of Zoning Administration actions issued for the oil drilling facility. The conditions of approval found herein are restatements of the initial conditions of approval found the Zoning Administrator's action in Case No. ZA-17528 and the subsequent Plan Approval actions in Case Nos. ZA-17528(PAD), ZA-17528(PA2), and ZA-17528(PA3). In some instances, revisions were deemed necessary to improve accountability or reporting, or to reflect the current conditions at the Jefferson Oil Drill site or current best oil drilling and oil production practices in communities throughout the City of Los Angeles. Conditions were revised to require a permanent enclosure of the drilling equipment and ongoing monitoring of the site to improve odor control and to reduce noise from the facility. A number of corrective conditions were added to increase protection and preserve the health, safety and general welfare of the residents and occupants of the neighborhood. The Office of Zoning Administration will refer possible violations of the conditions of approval to the Environmental Justice Unit of the City Attorney's Office.

Beginning in July 2013 in response to a Plan Approval (PA4) application submitted by the prior operator Freeport-McMoran Oil and Gas, the Office of Zoning Administration began receiving telephone calls, letters and emails from residents and stakeholders expressing concerns regarding the oil drilling and production operation. The communication reflected the community's contentions that the drilling operation was a constant nuisance to the neighborhood with its noise, traffic congestion, odors, loitering, and mishandling of hazardous materials. The Plan Approval (PA4) request to consider methods and conditions controlling drilling and production operations at the Jefferson Control Drill site was set for a public hearing on September 24, 2013, but the Zoning Administrator (Sue Chang) did not take any testimony because of a deficiency in the noticing requirement; although at the hearing, strong opposition to the applicant's proposed request was demonstrated. The Plan Approval (PA4) public hearing was subsequently rescheduled months later on November 24, 2014, where a new Zoning Administrator (Maya Zaitzevsky) listened to public testimony, but then took the case under advisement before instructing the applicant to meet with the Council District office and members of the community. In January 2015, the applicant submitted a formal request to the Office of Zoning Administration asking to withdraw the Plan Approval (PA4) application. On January 28, 2015, the Office of Zoning Administration granted the applicant's request to withdraw its Plan Approval (PA4) application.

Following the formal withdrawal of the Plan Approval (PA4) application, the Office of Zoning Administration was asked by residents, stakeholders and other interested persons to use its authority to conduct a public hearing to listen to the community regarding the oil drilling operation, in order to determine the effectiveness of the conditions of approval for the Jefferson Oil Drill Site. In response, a public hearing for a Plan Approval (PA5) was conducted on January 26, 2017 to take formal testimony from the residents, stakeholders, community groups and the operator. Following the public hearing, the Office of Zoning Administration researched the claims and found that the Jefferson Oil drilling operation was in violation of several of the conditions of approval imposed by the initial Zoning Administrator's grant and subsequent Plan Approvals. Also, it was learned that some of the initial conditions of approval imposed on the oil drilling and production operation were not sufficient to preserve the health, safety and general welfare of the nearby residential neighborhood. It was also discovered that the oil drilling and production operation had violated several regulations established by other

government agencies as detailed in the Petroleum Administrator's September 22, 2017 report to the Office of Zoning Administration. (See Attachment A)

Based on the review of public records, site visits, public testimony and input from other public agencies, it was concluded that the current conditions of approval imposed on the subject drill site are not sufficient to preserve the health, safety and general welfare of the surrounding residential neighborhood. Therefore, revisions have been made to the conditions of approval for the Jefferson Oil Drill Site in order to maintain reasonable noise levels, improve odor control and monitor hazardous conditions.

Therefore, pursuant to Section 13.01 of the Los Angeles Municipal Code, it is hereby:

DETERMINED based on the whole of the administrative record, that the project is exempt from CEQA pursuant to CEQA Guidelines, Section 15303(e) and City CEQA Guidelines Article III, Section 1, Class 1, Category 6, and Class 21, Category 2, that there is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2, applies; and

DETERMINED that corrective methods and additional conditions are required for the oil drilling and production operations at the Jefferson Drill Site that services urbanized Oil Drilling Districts U-104, U-124, U-134 and U-135, to increase the protection and preserve the health, safety and general welfare of the residents and occupants of the neighborhood.

Below are the original terms and conditions as well as the revised terms and conditions which are hereby imposed:

Note: The original conditions of approval are in standard type and font. The prior revisions to the conditions of approval are in *Italics*. The current revisions to the conditions of approval are in **bold** print and underlined. For the purpose of this document, an enclosure shall mean four sides with no roof, and a structure shall mean four sides with a roof.

- | No. | Condition |
|-----|--|
| 1 | That all the conditions set forth in Section 13.01-E, 2 as well as Conditions Nos. 1, 3, 4, 5, 8, 9, 17, 18, 33, 37, 40, 43, 47, 49, 50, 54, 58, and 59 of Subsection F of Section 13.01 of the Municipal Code are included in and by reference made a part of this approval and shall be complied with to the same extent as if herein restated in detail. |
| 2 | <p>a. In no event shall the base of the derrick <u>workover, maintenance or drilling rigs</u> used in drilling operations project more than 1 Ft. above the highest elevation of the existing public sidewalk along Jefferson Boulevard adjacent to the southerly side of the site.</p> <p>b. The derrick <u>workover, maintenance or drilling rigs</u> utilized for drilling operations shall consist of the new-style derrick <u>rigs</u> such as depicted on the plan submitted with the application and which does not employ the usual "gin pole" house extending above the crown block and upper platform and similar to that currently being utilized</p> |

- No. Condition
- by the applicant on the extant drill site in District U-38, and,
- c. **[REVISED]** In no event shall the overall gross height of said derrick **workover, maintenance or drilling rigs** and ~~acoustic quilt~~ **soundproofing method** covering the same exceed a height of 141 feet, above the sidewalk elevation referred to above.
 - d. It is understood the standard 136 ft. derrick **workover, maintenance or drilling rigs** used in this operation shall be shortened by redesigning it to meet the height limitation specified above.
 - e. **[REVISED]** Furthermore, that tanks and other equipment and buildings used in drilling and production activities shall be located on the site in such a manner that no portion of the tanks equipment, or buildings other than the upper portion of the derrick, drawworks house and drilling equipment buildings, temporary mud and water storage tanks and future portable drilling mast used for servicing activities, ~~will~~ **shall** extend ~~for any appreciable distance above the enclosing fence~~ **above the height of a 45-foot permanent enclosure** or wall surrounding the drilling site as hereinafter specified.
 - f. **[NEW]** **The exterior design appearance of said 45-foot permanent enclosure shall be to the satisfaction of the Petroleum Administrator and subject to the approval of the Zoning Administrator. The construction of the 45-foot high permanent enclosure shall begin within 9 months of the effective date of this determination. (Condition added in conjunction with PA5)**
 - g. **[NEW]** **Also, the workover, maintenance or drilling rigs shall be within the 45-foot high permanent enclosure, with its final exterior appearance designed to the satisfaction of the Petroleum Administrator and subject to the approval of the Zoning Administrator. (Condition added in conjunction with PA5)**
 - h. **[NEW]** **An enhanced vapor recovery system shall be installed along the top of the opening of the 45-foot high permanent enclosure. The vapor recovery recordings or report shall be submitted to the Zoning Administrator, the Petroleum Administrator, the State Fire Marshal, California Air Resources Board, and the South Coast Air Quality Management District as required pursuant to industry rules and regulations. (Condition added in conjunction with PA5)**
- 3
- a. That the land from the subject drill site necessary for the widening of Jefferson Boulevard to its designated secondary highway width shall be dedicated and improved or suitably guaranteed in a manner and under the procedures provided in the Section 12.37 of the Municipal Code.
 - b. **[REVISED]** The controlled drill site shall be **fully** enclosed with an ornamental masonry **perimeter** wall having a height of at least 7 ft. above the level of the adjacent property outside of the enclosing ~~fixtures~~ **perimeter wall**, said enclosing ~~fixtures~~ **perimeter wall** to observe a minimum setback of 10 ft. from the widened line of Jefferson Boulevard, the easterly line of Van Buren Avenue and the westerly line of Budlong Avenue, except adjacent to the existing building fronting Jefferson Boulevard on the southwesterly corner of the site, which if desired, may be retained in its present position.
 - c. Furthermore, that the setback space along all street frontages including the space out

- No. Condition
- to the curb line not utilized for driveways or public sidewalks shall be landscaped by the planting of lawn, ivy or other green ground cover interspersed with trees and shrubs, all of said landscaping to be maintained in a first-class, attractive condition at all times.
- d. **[REVISED]** Included in the landscaping of the site, specimen ornamental street trees of a broader evergreen type or cocoa plumosa palms shall be planted and maintained in the parkway spaces along both Van Buren Place and Budlong Avenue, all in a manner satisfactory to the ~~Street Tree~~ **Urban Forestry** Division, Bureau of Street Maintenance **Services**.
- e. Furthermore, in the event that the oil drilling program is successful and the site is to be retained and utilized for other oil wells and for production purposes as herein or hereafter authorized, there shall be transplanted near the northerly and southerly corners of the landscape setback spaces adjacent to the "R" zone portion of the site along Van Buren Place and Budlong Avenue, tall trees such as Washington palms or Canary Island pines which at the time of transplanting are approximately 50 Ft. in height so as to partly screen out or interrupt the conspicuousness of the lower half of the derrick from adjacent property.
- f. **[REVISED]** ~~It is understood that~~ **The** gates in the enclosing **perimeter** wall around the drill site across entrance and exist driveways shall be covered with solid material colored to match that of the enclosing **perimeter** wall.
- 4
- a. ~~That as long as the subject site is utilized for oil drilling and production purposes, Lots 11 and 20, Block Poole and Jones Tact, adjoining the northerly side of the site shall be retained in common ownership with the site and the existing dwellings on said lots or suitable replacements thereof conforming to the zoning regulations shall be retained to serve as a buffer between the site and adjacent lots to the north.~~
- b. **[REVISED]** ~~Furthermore, that the oil well drilling equipment and future production equipment shall be located on the site in substantial conformance to the plot plan Exhibit 13 attached to the file with any oil well located at least 50 ft. from the exterior property lines of the site.~~ **A revised plot plan shall be provided showing the current production equipment locations onsite. Said plot plan shall provide a detailed description and inventory of production equipment, such as tanks, vessels, compressors, scrubbers, separators, etc.**
- c. **[REVISED]** It is understood that this initial grant does not authorize all future oil wells indicated on said Exhibit 13 and that greater setbacks may be specified by the Fire Department **or the Petroleum Administrator** in compliance with provisions of Article 7, ~~Chapter 5~~ of the Municipal Code.
- d. The nature of projections permitted in the building line spaces established by ordinance on the "R" zone lots abutting both Van Buren Place and Budlong Avenue shall be as specified in the grant under companion Yard Variance Case No. 13903.
- 5
- a. That in addition to soundproofing the derrick **workover, maintenance or drilling rigs** and other structures as required by Condition No. 47 of said Section 13.01-F, soundproofing shall also be provided for the electrical distribution center and control house containing automatic electrical switches and for the engine, shakers and mud pumps and for the doors providing ingress and egress to the derrick **workover,**

- No. Condition
- maintenance or drilling rigs**, and
- b. That said doors shall be kept closed except for short intervals when actually being used for ingress and egress purposes and for placing or removing materials and supplies in or from the derrick **workover, maintenance or drilling rigs**.
 - c. Furthermore, that the manner in which the soundproofing is to be accomplished, including a plot plan specifying locations of involved buildings or structures and tanks, landscaping or premises, location and type of surfacing on access driveways and other details for the development of the site, together with plans for each of the buildings and tanks to be placed on the site, shall be submitted to and approved by a Zoning Administrator prior to the issuance of the drilling permit for each of the proposed wells and prior to issuance, respectively, of permits for any such buildings or tanks;
 - d. **[REVISED]** Said soundproofing material as required above to be of a fire resistive type approved by the Los Angeles Fire Department. If an acoustical type covering is utilized to soundproof the derrick **workover, maintenance or drilling rigs** and buildings, said quilt **rigid permanent type attractive soundproofing** covering shall be ~~stretched tight, hung and~~ maintained in such a manner that it will have a tight **an** attractive non-sagging appearance.
 - e. **[NEW] A permanent structure shall be provided for soundproofing the electrical distribution center and control house containing automatic electrical switches and for the engine, shakers and mud pumps and for the doors providing ingress and egress to the rigs (Condition added in conjunction PA5)**
 - f. **[NEW] The workover, maintenance or drilling rigs shall be within the 45-foot high permanent enclosure, with a final exterior appearance designed to the satisfaction of the Petroleum Administrator and subject to the approval of the Zoning Administrator. (Condition added in conjunction with PA5)**
- 6
- a. That the upper portions of the soundproofed derrick **workover, maintenance or drilling rigs** which extend above the walls surrounding the drilling site shall be painted and camouflaged in such a manner as to blend into the adjacent buildings, landscaping and sky or present the appearance of an attractive monument rather than a covered oil derrick **rig**.
 - b. The designs of such camouflage treatment shall be submitted to the Zoning Administrator for approval with plans for soundproofing the derrick **rig**, and;
 - c. Thereafter the upper portions of the derrick **rig** shall be treated and maintained in the manner suggested and approved,
 - d. All of which shall be designed to eliminate as far as practical the conspicuousness of the derrick **rig** from the adjacent residential areas.
 - e. **[Deleted]** ~~It is understood that the same type of derrick design and camouflage treatment thereof heretofore approved for the drilling operation now in progress on the drill site in District U-38 may be utilized on the drill site herein question.~~
 - f. However, if the first test wells upon the site prove to be successful and additional wells are to be drilled thereon, then, considering the conspicuousness of the drill site from adjacent residential areas, and if deemed necessary by the Chief Zoning

- No. Condition
- Administrator, any acoustical quilt type covering the first test well equipment shall either be replaced or covered with a more rigid permanent type of attractive soundproof enclosing fixture giving the ~~deriek~~ **rig** more the appearance of a monument, all in keeping with plans approved by the Chief Zoning Administrator.
- g. **[NEW] The workover, maintenance or drilling rigs shall be within the 45-foot high permanent enclosure, with a final exterior appearance designed to the satisfaction of the Petroleum Administrator and subject to the approval of the Zoning Administrator. (Condition added in conjunction with PA5)**
- 7
- That a parking area shall be provided on the drilling site for use by vehicles employed in drilling and maintaining of oil wells on the property, and
 - A similar parking area shall be provided on the drill site or immediately adjacent thereto in the C2 Zone for the parking of automobiles of employees engaged in the drilling and production activities.
 - The driveway necessary on the drilling site, as well as the required employee and equipment parking area, shall be paved with rock and oil or asphalt paving materials suitable to withstand heavy trucking operations, and
 - That all such driveways and parking areas shall be regularly washed down, swept or otherwise kept free of accumulated cement, dust or other materials which would produce dust in the use of said facilities.
- 8
- The drilling of the wells shall be conducted in accordance with good oil field practice and the latest techniques and refinements in equipment and material shall be used.
 - The latest and most effective blow-out prevention equipment shall be installed and maintained in connection with the drilling of any well.
 - [NEW] Within 90 days of the effective date of this action, the applicant shall install a fence line air monitoring system which presents real-time air monitoring data, along the fence line between the oil drilling and production facility and the community. The system shall be designed and installed to provide real time data on-line via a website and provide quarterly reports to the SCAQMD, the Petroleum Administrator and the Office of Zoning Administration for up to three years from the effective date of this action. (Condition added in conjunction with PA5).**
- 9
- That as further amplification of Condition No. 49 of the Section 13.01-F of the Municipal Code, except for actual drilling and production operations, *which may be conducted 24 hours a day, seven days a week*, no work shall be conducted on the property between the hours of 7:00 P.M. of one day and 7:00 A.M. of the following day or Sundays.
 - While actual drilling operations are being conducted between the hours of 7 p.m. and 7 a.m, the applicant shall operate its facility in "Quiet Mode." "Quiet Mode" shall mean that where possible, operation components shall be covered with acoustical shield / materials, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes;*
 - Operation of cellar pump shall cease;*
 - The applicant employees and contractors shall be prohibited from yelling, and the*

No. Condition

- Derrick Man and Driller shall communicate by walkie-talkie only when the Derrick Man is on the derrick; no horns shall be used to signal for time for connection or to summon crew (except that a horn may be used for emergency purposes only).*
- e. *The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.*
 - f. *In case of an emergency, all restrictions on the hours of operation shall be suspended for as long as is necessary to resolve the emergency situation and for no longer.*
 - g. *Notwithstanding the foregoing, during the period necessary to set up and move the drilling rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversize/overweight load) heavy truck deliveries shall be permitted from 7 a.m. to 9:30 p.m., ~~seven days a week~~ on week days, none during week-ends and holidays. Deliveries shall be made by approaching the facility off Jefferson Boulevard, entering the facility on Budlong Avenue, exiting the facility on Van Buren Place, and proceeding back onto Jefferson Boulevard or visa versa, entering the facility on Van Buren Place, exiting the facility on Budlong Avenue, and proceeding back onto Jefferson Boulevard.*
 - h. *Delivery trucks are to be staged off-site so as to reduce the time that trucks need to wait to enter the facility.*
 - i. *If there is not sufficient room within the interior of the facility to accommodate a given heavy delivery truck, the applicant shall not call for the delivery of such heavy truck unless and until another heavy delivery truck parking within the facility is scheduled to leave the facility within 15 minutes. The maximum number of heavy truck deliveries allowed for moving the drilling rig on and off the premises is shall not exceed 20 loads per day for a period of four days. Except for the four days required to move the drilling rig on and off the premises, the number of days of "permitted" truck deliveries per day (weekdays only, none on weekends and holidays) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (weekends and holiday only) shall be limited to a maximum of five; and the number of non-permitted truck deliveries per day (regular week days only) shall be limited to a maximum of ten.*
 - j. *The applicant shall give all abutting property owners written notice (in both English and Spanish), served by mail at least seven days prior to the dates when heavy trucks traffic will commence related to moving the rig in for the drilling or re-drilling of wells. Further, to reduce congestion to the residential neighborhoods abutting the drill site, the applicant shall employ flag men during periods of heavy traffic and the applicant's employees and contractors shall be prohibited from parking on Budlong Avenue or Van Buren Place during the period when the facility is being prepared and/or utilized for drilling and re-drilling purposes. (Condition No. 9 modified in conjunction with PA1 and PA2)*
 - k. **[NEW] No trucks of any kind shall be permitted north of the drill site along Budlong Avenue or Van Buren Place. A circulation plan shall be developed and provided that shows the path of travel for trucks entering and leaving the drill site, including directional signs. Said circulation plan shall be submitted to the Office of Zoning Administration for approval. (Condition added in conjunction with PA5)**

- 10 a. That in no event shall drilling operations be carried on or conducted on the site in

- No. Condition
- connection with more than one well at a time and not more than two exploratory oil wells shall be drilled under this authorization and bottomed under said District U-124.
- b. It is understood that as provided in the respective ordinance, the Administrator under separate applications, may permit exploratory or production wells under adjoining or adjacent districts, and as provided in Paragraph 2, paragraph (dt), Section 13.01-G2, of the Municipal Code,
- c. The Administrator under separate applications, may approve additional wells upon this drill site after considering the recommendations of the City Administrative Officer or City Petroleum Administrator based upon the results of the exploratory well or wells.
- d. Furthermore, that prior to the approval of issuance of Fire Department permits for each well to be drilled upon the subject site, there shall be supplied to the Zoning Administrator a map showing the general direction and general bottom hole location of said proposed well so that proper records can be kept as to the number of wells bottomed and completed under said district in compliance with the terms of the grant and the provisions of Paragraph (c), Section 13.01-E, 2 of the Municipal Code.
- e. Furthermore, the applicants or operators of the oil drilling activities herein authorized, upon request by the Chief Zoning Administrator, shall furnish such additional information concerning the status, exact bottom hole location, productivity, etc., of the various wells drilled from the property as to enable the Administrator to properly and intelligently administer the oil drilling regulations in this area; said information to be either verbal or in writing and to be kept confidential by the Administrator if so desired by the applicant.
- 11 a. That if any of the wells hereby or thereafter authorized are successful and are to be maintained as producing wells and required to be pumped, then said wells shall be equipped with Kobe or comparable producing units which shall be placed in pits or cellars below the surface of the ground so that no visible pumping units will be above the ground adjacent to the surface location of the wells and that wells shall be serviced with only portable type equipment.
- b. Furthermore, that the triplex pump units necessary to operate the Kobe or comparable oil well pumping units as well as the compressors for compressing the gas to meet pipeline specifications, shall be housed in substantial buildings which have been acoustically treated so as to be substantially soundproofed.
- 12 a. That all oil and gas produced from the wells on the property shall be transported from the drilling site only by means of underground pipeline connected directly with the producing pump or with tanks or treating facilities by a completely closed system without venting products to the atmospheric pressure at the production site and,
- b. In no event shall there be any storage or treatment facilities on the property other than necessary to conform production to the pipeline requirements.
- c. In no events shall more than three-day storage or two 1,000-bbl tanks, whichever is greater, be erected or maintained on the property.
- d. Furthermore, that said production tanks shall be so placed and located with respect to enclosing structures surrounding the site as to not be visible to persons on adjacent public streets or from adjacent residential property having approximately the same ground level elevation as the average ground level surrounding the drill site.

- | No. | Condition |
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| 13 | a. That all tools, pipe and other equipment in connection with the drilling and production activities shall be stored and kept on the drilling site within the walled and landscaped enclosure. |
| 14 | a. After completing the exploratory test wells herein authorized and provided authorization has been given for additional wells within the drilling site, the bores of additional wells shall be projected directionally under District No. U-124 and adjoining districts if and when authorized under said districts so that a complete and adequate test of the location, extent, character, density and productivity of any producing oil zones may be had from the single drill site area.
b. Said additional wells shall be drilled with due diligence so as to complete the total number of wells authorized within the shortest possible time, utilizing only one oil drilling derrick for said operations.
c. Furthermore, that upon completion of the each well, the derrick shall be removed or moved to the site for a new well on the drilling site and work started toward drilling said new well within the 30-day period referred to in Condition 4, Section 13.01-F, to the end that the derrick and drilling operations will be removed and discontinued on the site in the shortest period of the time possible. |
| 15 | a. That any owner, lessee or permittee and their successor and assigns, as well as the concern which is to actually do the drilling work, if different than the above, must at all times be insured to the extent of \$2,000,000 against liability in tort and public liability and property damage arising from drilling or production or activities or operation incident thereto, conducted or carried on under or by virtue of the conditions prescribed for the district and by written determination by the Administrator as provided in Subsection H, Section 13.01 of the Los Angeles Municipal Code.
b. The policy of the insurance issued pursuant hereto shall be subject to the approval of the City Attorney and duplicates shall be furnished to him.
c. Each such policy shall be conditioned or endorsed to cover such agents, lessees, or representatives of the owner, lessee, or permittee as may actually conduct drilling, production or incidental operations permitted by such written determination by the Administrator.
d. A certificate of insurance carrier and its address and a sworn statement that such insurance will be maintained in full force and effect, shall be furnished the Chief of Zoning Administrator before any permits are issued. |
| 16 | a. That the surety bonds in the sum of \$5,000 required by Condition No. 3 of the above mentioned Subsection F and Condition (g) under Section 13.01-E of the Municipal Code shall be approved by the City Attorney, executed by both the applicants and any lessee who is to do the actual oil drilling and filed with the Chief Zoning Administrator before any permit is issued. |
| 17 | a. The operator, after drilling each well to a depth of approximately 2,000 feet, shall take an electric log of the well to that depth, analyze the log and provide the Department of Water and Power of the City of Los Angeles with a copy of said log, together with its interpretation, showing aquifers and an estimate of the salinity of all waters |

- No. Condition
- encountered.
- b. From the information so obtained, a joint determination shall be made of the required depth at which the surface casing shall be cemented. Sufficient cement shall be used to reach the ground surface behind the surface casing.
- c. On completion of the drilling program, another log shall be taken and analyzed and if necessary, additional steps shall be taken to prevent the vertical movement of [brine] into fresh water zones.
- d. In the event no commercial production of oil is obtained, cement plugs shall be used to protect all fresh water in abandonment of the well. A conference between the operator and officials of the Department of Water and Power may waive the requirement for a log on each well if sufficient subsurface data is obtained from the previous log to permit it to carry out the purpose of this condition.
- 18 a. **[REVISED]** That the public water supply system on the property shall be protected against backflow where necessary in a manner acceptable to the Departments of Los Angeles County Department of Public Health and City of Los Angeles Department of Water and Power and meeting the requirements of Uniform Plumbing Code.
- b. Furthermore, representatives of the said Departments may enter upon the premises at any reasonable time for routine inspection of operations and/or facilities shall be made within a reasonable time as determined by the investigator.
- 19 a. That the drilling site and approaches thereto shall at all times be kept in a clean, neat-appearing condition free from weeds and debris, other than necessary and incidental drilling equipment and supplies, and shall be effectively landscaped and maintained as required under various applicable conditions heretofore mentioned and in compliance with plans approved by the Chief Zoning Administrator.
- b. In this instance, special attention shall be given to affective housekeeping so as to prevent any accumulation of oil, oil products, or oil-coated boards, materials, or equipment which might cause fumes or odors detrimental to the adjoining dwellings.
- c. Furthermore, that upon completion of the drilling operations, all equipment and supplies, except that actually necessary in production work and as specified on plans for the installation of the various production facilities and devices, shall be removed from the property so that as far as practicable, there be no evidence above the ground of the presence of the oil producing facilities in the pits and cellars heretofore specified.
- 20 a. That if oil drilling is successful on the subject property and there is any evidence that the production activities cause noticeable subsidence in the present elevation of the ground on the subject property or in the vicinity, then the Chief Zoning Administrator, after consultation with recognized experts in connection with this problem, shall have the authority to require corrective actions, such as re-pressurizing the oil producing structure or the cessation of oil drilling and production.
- 21 a. That the Chief Zoning Administrator reserves the right to impose additional conditions or require corrective measures to be taken if he finds after actual observations or experience with drilling one or more of the wells on the subject property that

- No. Condition
- additional conditions are necessary to afford greater protection to the adjacent or surrounding property as intended by the provisions of Section 13.01 of the Municipal Code, as well as the conditions set forth in Ordinance No. 129760.
- 22
- a. **[REVISED] In addition to a permanent enclosure, Erect erect** a 30-foot high acoustical barrier blanket soundproofing on three side of the drilling rig at the Jefferson Drilling site (west, north and east, with the layout and walls lengths determined after the drilling rig and equipment position has been established. Install the sound wall as close as possible to the drilling rig and associated equipment with no gaps or openings in the walls. The sound material should have a minimum STC rating of 25. Sound wall gates shall be installed with the same sound loss rating as the wall material and the gates shall be closed at all times except for material delivery or pick up.
 - b. The sound wall shall not be maintained for more than 120 continuous days. Should unforeseeable mechanical problems warrant the maintenance of the sound wall for a period exceeding the 120 continuous days, the applicant shall notify the Zoning Administrator and Council Office and inform the owners and occupants of surrounding property of the reasons for and estimated duration of the delay in the dismantlement of the wall.
 - c. Enclosed the drilling rig floor with STC-25 rated acoustical barrier blanket. The rigid permanent type attractive soundproofing height shall be a minimum of 10 feet above the drilling rig floor and have a closable panel at V door, which shall be closed except when running casing, pipe, tubing or logging.
 - d. To reduce sound from the drilling rigs substructure, acoustical blanket shall be hung from the exterior of the rig floor down to the ground, covering the open areas of the rig sub-structure on the side of the rig facing the north property line.
 - e. The stabbing platform on the rigs ~~derrick~~ shall be enclosed with STC-25 rated acoustical blanket.
 - f. To mitigate the drilling rig draw works and brake noise level, the sound damping acoustical material shall be installed and maintained during the drilling activities.
 - g. Position all ancillary noise generation equipment away from the nearest critical receptors, when feasible and install temporary sound enclosures, where possible on all noise generation equipment and operations.
 - h. Install vibration isolations pad on shakers units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.
 - i. Implement PXP "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.
 - j. To ensure sound mitigation has been installed, and to identify any unusual or unique noise problems, sound level measurement and testing shall be complete as the rig starts up operations. To verify and document sound level compliance, continuous sound level measurement and monitoring may be considered during all drilling activity. (Condition added in conjunction with PA1 and revised in conjunction with PA2 and PA5).
- 23
- a. Drilling operations as described in Condition No. 2 above may be conducted seven days per week on a 24-hour basis, including any nationally recognized holidays.

- No. Condition
Drilling operations shall be completed within 36 months from the effective date of this determination. (Condition added in conjunction with PA1)
- 24 a. *The applicant shall permanently post at all of the site's entry gates a direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem. A call log shall be maintained including date and time of call and subject, and date and time of response and action. Said log shall be made available at the request of the Zoning Administrator. (Condition added in conjunction with PA1)*
- 25 a. *The site and its adjoining sidewalks and parkways shall be kept free and clear of debris at all times. (Condition added in conjunction with PA1)*
- 26 a. *All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied with 24 hours of its occurrence. (Condition added in conjunction with PA1)*
- 27 a. *All lighting on the site shall be shielded and directed onto the site and no floodlighting shall be located so as to be seen directly from any adjacent residential area. (Condition added in conjunction with PA1).*
b. **[NEW] All exterior lighting at the project site shall be located below the top of the surrounding wall and shall be directed onto the site. Except as directed otherwise by the Zoning Administrator or other public agency, no lights shall be located on the enclosed structure above the height of the surrounding walls. These lights shall be placed and designed to minimize their impact on neighboring properties. (Condition added in conjunction with PA5).**
- 28 a. **[NEW] A Spill Prevention, Control and Countermeasure (SPCC) Plan shall be reviewed and evaluated annually. Amendments shall be made within six (6) months of the review following preparation of any amendment. The updated document shall be submitted to the file to the satisfaction of the Bureau of Sanitation Watershed Protection Division, the Petroleum Administrator and the Zoning Administrator. This review will include, at a minimum, the following:**
- **Applicability of new prevention and control technology, which may significantly reduce the likelihood of a spill event from the Facility if such technology has been field proven at the time of the review;**
 - **Accuracy of the SPCC Plan as compared to the current facility operation and SPCC Regulations;**
 - **Capacity and structural integrity of secondary containment structures; and**
 - **SPCC inspections and records retention to ensure continuity for a minimum period of three (3) years (Condition added in conjunction with PA5)**
- 29 **[NEW] The applicant shall install a 24-hour noise, vibration and video monitoring system substantially as follows:**
a. **The noise and vibration monitoring system shall utilize the following:**

- No. Condition
- (i) The installation of an outdoor calibrated microphone on the north, east and west portion of the drill site (on side of the nearest residences).
 - (ii) The installation of the decibel meter and connected personal computer in the new support building.
 - (iii) The personal computer shall be programmed to record sound decibel measurements on a 24-hour basis.
 - (iv) The system shall include an automatic notification system attached to the computer which will automatically notify the operator's on-duty supervisor if the noise monitor records a reading over the preset warning level.
 - (v) The operator's on-duty supervisor will immediately investigate any noise vibration problems and take appropriate action. The supervisor shall prepare a written report on each such incident and submit the reports to the Petroleum Administrator and the Office of Zoning Administration.
 - (vi) During the first 24 months of operation following this Plan Approval Determination, the operator will print out and send the Zoning Administrator a monthly report of all recorded noise or vibrations above the present level, together with all investigation reports for the period from attachment to the case file; afterwards, the operator shall provide such reports to the Zoning Administrator on a quarterly basis.
 - (vii) The system shall be designed and installed, and the preset warning levels will be determined by a qualified independent noise consulting firm agreed upon by the Zoning Administrator and the operator. The present warning values shall be determined during the first several weeks of operation upon actual site conditions.
- b. The video monitoring system shall utilize the following components or features:
- (i) The installation of multiple video cameras on the walls of the drill site providing video coverage at various locations within the drill site and just outside of the drill site walls, including but limited to the entry points of the site, the enclosed structure, and the support buildings. To avoid privacy concerns, the videotape system shall not record sound nor videotape any locations which are not owned by the operator or are public.
 - (ii) The installation of the video recorder in the support building shall videotape the camera images and the time of the recording.
 - (iii) The videotape shall be used to help determine the origin and cause of any on-site noise issues, in conjunction with the noise monitoring system. The videotape shall be made available to the noise consultant and the Zoning Administrator, upon request. Videotapes shall be maintained by the operator for at least 60 days. (Condition added in conjunction with PA5).

30 [NEW] Monitoring Program. The following program shall be utilized by the operator to maintain regular and assured oversight of the proposed project.

- No. Condition
- a. The operator shall install an early alert detection system which will alert the Los Angeles City Fire Department (LAFD) of hydrogen sulfide and methane. A protocol for the construction, installation and operation of the system shall be established to the satisfaction of the LAFD and the California Department of Conservation, Division of Oil, Gas, Geothermal Resources within 90 days of the effective date of this Determination letter and submitted to the Office of Zoning Administration for placement in the case file, such system shall remain in operation during the lifetime of the drill site operation.
 - b. The applicant shall install a state-of-the-art fire suppression system, which shall use, but not be limited to more effective fire suppressants such as foam. The system shall be constructed to the satisfaction of the LAFD; with the clearance from the Fire Department for its design, prior to any Zoning Administrator's sign-off.
 - c. The operator shall formally arrange with the Harbor Industrial Unit of the LAFD, quarterly monitoring of the operation at the subject site, including but not limited to inspection of the systems described in a. and b. above. Such inspections shall occur quarterly during the first five years of operation following this approval. Copies of a formal arrangement assuring inspection shall be sent the Zoning Administrator for placement in the case file. Copies of all monitoring inspection reports shall be filed with the Office of Zoning Administration, the Los Angeles Police Department, and the LAFD.
 - d. Within six months of the effective date of this action, the applicant shall formally arrange with the California Department of Conservation, Division of Oil, Gas, Geothermal Resources, the Petroleum Administrator, the Zoning Administrator and other applicable City agencies to review local, state and federal regulatory compliance requirements. Thereafter, such review shall occur every five years of operation. Copies of the formal arrangement assuring inspection shall be sent to the Petroleum Administrator and Zoning Administrator for placement in their case files. Copies of all monitoring inspection reports shall be filed with the Office of Zoning Administration, the Petroleum Administrator, the Los Angeles Police Department and the Los Angeles Fire Department. (Condition added in conjunction with PA5)
- 31 a. [NEW] All Electric Power – All rig operations at the site shall at all times be carried on only by electric power and such power shall not be generated by fossil fuels at the controlled drilling site or in the district. Power may be generated on site by solar voltaic generators or natural gas powered cogeneration units placed within sound proofed buildings. (Condition added in conjunction with PA5)
- 32 a. [NEW] Design Approval –The new permanent enclosure; structures;

- No. Condition
- ancillary buildings; drill site perimeter wall; and landscaping shall be built in substantial conformance with revised plans approved by the Zoning Administrator in consultation with the Petroleum Administrator. (Condition added in conjunction with PA5)
- 33 a. [NEW] Prior to the issuance of any building permit, the operator shall show proof of compliance with the conditions of approval imposed in the parent case (Case No. ZA 17528) and subsequent Plan Approval grants. Condition added in conjunction with PA5)
- 34 b. The operator shall designate a community liaison person with a 24-hour a day, 7-days a week access telephone number, which number shall be conspicuously posted at the site, who will be available to respond to the community on any unanticipated problems or complaints. Condition added in conjunction with PA5)
- 35 a. [NEW] Within 24 months, the operator shall file a Plan Approval to review compliance with the conditions of approval of this determination. A Plan Approval shall also be filed whenever there is a change in ownership or operator, within one year of the change to review compliance with these conditions. The new owner or operator shall be required to file a Plan Approval application, and associated fees. The Plan Approval application shall be submitted to the Department of City Planning within 30 days of the date of legal acquisition by the new owner or operator, but not greater than 45 days before the 24-month period if the operator remains the same. A public hearing may be required, at the discretion of the Zoning Administrator, with notification of all owners and occupants of property within a 500-foot radius. The purpose of the plan approval will be to review and establish conditions deemed applicable to the use as maintained and conducted by the new owner or operator consistent with the intent of the Conditions of this grant. Upon this review the Zoning Administrator may modify, add or delete conditions, and if warranted, reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.
- 36 a. [NEW] Within 30 days of the effective date of this Determination, a covenant acknowledging and agreeing to comply with all the terms and conditions established herein shall be recorded in the County Recorder's Office. The agreement (standard master covenant and agreement form CP-6770) shall run with the land and shall be binding on any subsequent owners, heirs or assigns. The agreement with the conditions attached must be submitted to the Department of City Planning for approval before being recorded. After recordation, a certified copy bearing the Recorder's number and date shall be provided to the Zoning Administrator for attachment to the subject case file. (Condition added in conjunction with PA5).
- 37 At any time during the period of validity of this grant, should documented

No. Condition

evidence be submitted showing continued violation of any conditions of this grant, resulting in an unreasonable level of disruption or interference with the health, safety, and general welfare of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to file for a plan approval application together with associated fees pursuant to LAMC Section 19.01- C (Plan Approval 12.24-M \$5,754 or as in effect at the time of filing), the purposes of which will be to hold a public hearing to review the applicant's compliance with and effectiveness of these conditions. The applicant shall prepare a radius map and cause a notification to be mailed to all owners and occupants of properties within a 1,500-foot radius of the property, the Council Office, and the Los Angeles Police Department corresponding Division. The applicant shall also submit a summary and any supporting documentation of how compliance with each condition of this grant has been attained. Upon this review the Zoning Administrator may modify, add or delete conditions, and reserves the right to conduct this public hearing for nuisance abatement/revocation purposes.

38 [NEW] INDEMNIFICATION AND REIMBURSEMENT OF LITIGATION COSTS.

Applicant shall do all of the following:

- a. Defend, indemnify and hold harmless the City from any and all actions against the City relating to or arising out of the City's processing and approval of this entitlement, including but not limited to, an action to attack, challenge, set aside, void or otherwise modify or annul the approval of the entitlement, the environmental review of the entitlement, or the approval of subsequent permit decisions or to claim personal property damage, including from inverse condemnation or any other constitutional claim.
- b. Reimburse the City for any and all costs incurred in defense of an action related to or arising out of the City's processing and approval of the entitlement, including but not limited to payment of all court costs and attorney's fees, costs of any judgments or awards against the City (including an award of attorney's fees), damages and/or settlement costs.
- c. Submit an initial deposit for the City's litigation costs to the City within 10 days' notice of the City tendering defense to the Applicant and requesting a deposit. The initial deposit shall be in an amount set by the City Attorney's Office, in its sole discretion, based on the nature and scope of action, but in no event shall the initial deposit be less than \$50,000. The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement in paragraph (b).
- d. Submit supplemental deposits upon notice by the City. Supplemental deposits may be required in an increased amount from the initial deposit if found necessary by the City to protect the City's interests.

No. Condition

- The City's failure to notice or collect the deposit does not relieve the Applicant from responsibility to reimburse the City pursuant to the requirement (b).
- e. If the City determines it necessary to protect the City's interests, execute an indemnity and reimbursement agreement with the City under terms consistent with the requirements of this condition.

The City shall notify the applicant within a reasonable period of time of its receipt of any action and the City shall cooperate in the defense. If the City fails to notify the applicant of any claim, action or proceeding in a reasonable time, or if the City fails to reasonably cooperate in the defense, the applicant shall not thereafter be responsible to defend, indemnify or hold harmless the City.

The City shall have the sole right to choose its counsel, including the City Attorney's office or outside counsel. At its sole discretion, the City may participate at its own expense in the defense of any action, but such participation shall not relieve the applicant of any obligation imposed by this condition. In the event the Applicant fails to comply with this condition, in whole or in part, the City may withdraw its defense of the action, void its approval of the entitlement, or take any other action. The City retains the right to make all decisions with respect to its representations in any legal proceeding, including its inherent right to abandon or settle litigation.

For purposes of this condition, the following definitions apply:

"City" shall be defined to include the City, its agents, officers, boards, commission, committees, employees and volunteers.

"Action" shall be defined to include suits, proceedings (including those held under alternative dispute resolution procedures), claims or lawsuits. Actions includes actions, as defined herein, alleging failure to comply with any federal, state or local law.

Nothing in the definitions included in this paragraph are intended to limit the rights of the City or the obligations of the Applicant otherwise created by this condition. Condition added in conjunction with PA5)

VIOLETIONS OF THESE CONDITIONS, A MISDEMEANOR

Section 12.29 of the Los Angeles Municipal Code provides:

"A variance, conditional use, adjustment, public benefit or other quasi-judicial approval, or any conditional approval granted by the Director, pursuant to the authority of this chapter shall become effective upon utilization of any portion of the privilege, and the

owner and applicant shall immediately comply with its Conditions. The violation of any valid Condition imposed by the Director, Zoning Administrator, Area Planning Commission, City Planning Commission or City Council in connection with the granting of any action taken pursuant to the authority of this chapter, shall constitute a violation of this chapter and shall be subject to the same penalties as any other violation of this Code.”

Every violation of this Determination is punishable as a misdemeanor and shall be punishable by a fine of not more than \$2,500 or by imprisonment in the County jail for a period of not more than six months, or by both such fine and imprisonment.

APPEAL PERIOD - EFFECTIVE DATE

The Zoning Administrator's Determination in this matter will become effective after October 30, 2017, unless an appeal therefrom is filed with the Department of City Planning. It is strongly advised that appeals be filed early during the appeal period and in person so that imperfections/incompleteness may be corrected before the appeal period expires. Any appeal must be filed on the prescribed forms, accompanied by the required fee, a copy of the Zoning Administrator's action, and received and receipted at a public office of the Department of City Planning on or before the above date or the appeal will not be accepted. **Forms are available on-line at <http://planning.lacity.org>**. Public offices are located at:

Figueroa Plaza
201 North Figueroa Street,
4th Floor
Los Angeles, CA 90012
(213) 482-7077

Marvin Braude San Fernando Valley
Constituent Service Center, 2nd Floor
6262 Van Nuys Boulevard, Room 251
Van Nuys, CA 91401
(818) 374-5050

West Los Angeles
Development Services Center
1828 Sawtelle Boulevard,
2nd Floor
Los Angeles, CA 90025
(310) 231-2912

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

AUTHORIZATION

Pursuant to L.A.M.C. Section 13.01-H, the Zoning Administrator shall determine the conditions under which oil drilling operations may be conducted.

Pursuant to L.A.M.C. Section 13.01-E,2(i), a Zoning Administrator may impose additional conditions or require corrective measures to be taken if he or she finds, after actual observations or experience with drilling one or more of the wells in the district, that additional conditions are necessary to afford greater protection to surrounding property.

NOTICE

The applicant is further advised that all subsequent contact with this office regarding this Determination must be with the Zoning Administrator who acted on the case. This would include clarification, verification of condition compliance and plans or building permit applications, etc., and shall be accomplished **BY APPOINTMENT ONLY**, in order to assure that you receive service with a minimum amount of waiting. You should advise any consultant representing you of this requirement as well.

FINDINGS OF FACT

After thorough consideration of the statements contained in the application, the plans submitted therewith, the statements made at the public hearing on January 26, 2017, all of which are by reference made a part hereof, as well as knowledge of the property and surrounding district, I find as follows:

BACKGROUND

The subject property, known as the Jefferson Drill Site and part of the Las Cienegas oil field, is located on a level, 1.86-acre, rectangular-shaped property, comprised of twelve record lots, on the north side of Jefferson Boulevard, between Van Buren Place to the west, and Budlong Avenue to the east. The site has a frontage of approximately 280 feet on the north side of Jefferson Boulevard, a frontage of 312 feet on the east side of Van Buren Place and a frontage of 312 feet on the west side of Budlong Avenue. The Jefferson Drill Site is classified in the C2-1VL-O, R2-1-O, and RD1.5-1-O Zones, and within Urbanized Oil Drilling District No. U124 as established by Ordinance No. 129,760 adopted in 1965.

The northern adjoining properties are zoned RD1.5-1-O and R2-1-O and are developed with apartments. The eastern adjoining properties (across Budlong Avenue) are zoned C2-1VL-O and R2-1-O and are developed with a single-story commercial building fronting Jefferson Boulevard and single-family and multi-family residential fronting onto Budlong Avenue. The southern adjoining properties (across Jefferson Boulevard) are zoned C2-1VL-O and are developed with the Korean United Presbyterian Church. The western adjoining properties (across Van Buren Place) are zoned C2-1L-O and [Q]R3-1-O and are developed with commercial uses fronting Jefferson Boulevard and apartments fronting Van Buren Place. The nearest residential uses are located to the north of the site, and on the west and east sides of Van Buren Place and Budlong Avenue, respectively.

The site is improved with an oil drilling operation that was established in 1965 that services Urbanized Oil Drilling District 104, Urbanized Oil Drilling District 124, Urbanized Oil Drilling District 134, and Urbanized Oil Drilling District 135. Since the initial 1965 approval to operate, the subject oil drilling facility has operated with few documented modifications, enhancements or changes, with the exception of the intensification and changes approved in the prior Plan Approval grants. Presently, the Jefferson Drill site consists of 36 wells, with 28 active wells and 8 idle wells, and as for the types of wells, 27 of the 36 are producer wells and 9 are injector wells. Of the 28 active wells, 20 are producer wells and 8 are injector wells. The site is also improved with an approximately 7-foot-high block wall surrounding the property, a one-

story structure consisting of a warehouse, electrical control room, and office and a one-story structure consisting of a workshop and welding shop. Areas for parking and pipe storage are provided throughout the oil drilling site and an area has been provided for storage tanks and scrubbers.

Previous zoning related actions on the site/in the area include:

Subject Property:

Case No. ZA 17528(PA4) - On January 28, 2015, the Zoning Administrator's office issued a withdrawal letter acknowledging the correspondence dated January 23, 2015 from Candace Salway, Freeport-McMoRan Oil & Gas, requesting a withdrawal of a Plan Approval application to consider methods and conditions controlling drilling and production operations for the drilling of one new Class "B" well (water injection well) known as site J-45 to bottom in Urbanized Oil Drilling District U-124; the re-drilling of one Class "A" well (oil production well) known as site J-31RD to bottom in Urbanized Oil District U-135; and the re-drilling of one Class "B" well (water injection well) known as J-32RD to bottom in Urbanized Oil Drilling District U-135 in the Jefferson Oil Drill site. The request to withdraw the Plan Approval application was submitted following a November 24, 2014 public hearing on the matter.

Case No. ZA 17528(PA3) – On April 22, 2008, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the use of the Jefferson drill site located in Oil Drilling District No. 124, to re-drill one Class "A" oil well identified as J-30RD2 to be bottomed within Urbanized Oil Drilling District No. U-135.

Case No. ZA 17528(PA2) – On May 14, 2007, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the re-drilling of five Class "A" oil wells identified as J-33RD, J-3RD, J-20RD, J-6RD2, and J36RD of the Jefferson drill site within Urbanized Oil Drilling District Nos. U-104, U-124 and U-134, respectively, including the conversion of one oil well identified as J36RD from a Class B to a Class A well, within Urbanized Oil Drilling District No. U-134, and the possible conversion of oil well J-33RD from a Class B to a Class A well, within Urbanized Oil District U-104. Following the initial grant of ZA-17825(PA2), two correction requests and two clarification requests were granted by the Zoning Administrator to allow for changes in the drilling operations.

Case No. ZA 17528(PA1) – On March 13, 2006, the Zoning Administrator approved methods and conditions controlling drilling and production operations for the re-drilling of three Class "A" oil wells identified as J-2RD1, J-29RD2, and J-14RD1 of the Jefferson Oil Drill site within Urbanized Oil Drilling District Nos. U-104, U-134, and U-124, respectively.

Case No. ZA 17528(PAD) - December 3, 1999, the Zoning Administrator approved a modification to existing conditions controlling the drilling and production operations to be followed in the drilling and production of oil and gas on a site classified in R2-1-O and RD1.5-1-O Zones involving Oil Drilling District No. U-124. The Plan Approval allowed for the transfer of ownership of the residential uses in the residential buffer

zone conditioned by the grant.

Case No. ZA 18658 – On March 13, 1967, the Zoning Administrator authorized the drilling and bottoming or production of the full complement of six wells under District U-135 and utilizing the controlled drill site in adjacent District No. U-124.

Case No. ZA 17528 – On April 29, 1965, the Zoning Administrator approved methods and conditions controlling drilling not to exceed two exploratory wells bottomed under District U-124 and for production from said wells (if successful) in adjoining and adjacent districts.

Other Public Agency Actions:

Department of Building and Safety (LADBS)- A search of the LADBS records revealed that no complaints had been filed with the Department. Following the initial setup, a number of building permits have been issued for the subject oil drilling operation, but mostly for the changes and upgrades to the facility's pumps.

Los Angeles Fire Department (LAFD) – A search of the Fire Department records did not reveal any violations of the Los Angeles Municipal Code or conditions of approval.

Office of Petroleum and Natural Gas Administration and Safety – In response to the Department of City Planning's request to evaluate the oil drilling facility, the Petroleum Administrator issued its September 22, 2017 report (Exhibit A), which listed findings and recommendation related to the Jefferson Oil Drill Site. Some of the findings from the Southern California Air Quality Management District (SCAQMD) and Division of Oil, Gas, Geothermal Resources (DOGGR) are listed below.

Southern California Air Quality Management District (SCAQMD) – The South Coast Air Quality Management District (SCAQMD) regulates federal and state clean air quality standards for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. The federal Clean Air Act requires EPA to set National Ambient Air Quality Standards (NAAQS) for maximum allowable concentrations of six (6) "criteria" pollutants in outdoor air. The six criteria pollutants are carbon monoxide, lead, ground-level ozone, nitrogen dioxide, particulate matter, and sulfur dioxide. The standards are set at a level that protects public health with an adequate margin of safety. In addition to criteria pollutants, the Clean Air Act regulates "hazardous air pollutants," i.e., those which can cause cancer or other severe localized health effects due to emissions from a single facility.

In 2004, SCAQMD adopted the Rule 1148.1 for oil and gas production facilities to reduce hydrocarbons emissions, also known as volatile organic compounds (VOCs), from the extraction of oil and natural gas. Air districts in Santa Barbara, San Luis Obispo and Ventura counties have adopted similar air emission rules for oil and gas production facilities. The rule requires that emissions from residual crude oil in well cellars and produced gas released to the atmosphere be inspected, measured, and controlled. In 2013, the rule was updated to include comprehensive notification and reporting requirements to provide information needed to assess air quality and health

effects from oil and gas drilling activities. The update establishes notification and chemical reporting requirements for all oil and gas well drilling, reworks, and well completion activities.

According to SCAQMD, drilling means digging or boring into the earth for the purpose of developing, extracting, or producing oil, gas, or other hydrocarbons. Rework is any operation subsequent to drilling that involves deepening, re-drilling, remediation, or well production stimulation or treatment activity of an existing well. Well completions are post drilling activities and methods used to prepare a well for the production of oil or gas. Completions typically involve preparing the bottom of the hole to a required specification, such as running in the production tubing and its associated downhole tools, as well as perforating and/or stimulating the well.

Under Rule 1148.2 oil and gas operators are required to submit chemical usage inventory data, annual toxic air emissions, and 24 hour notifications prior to well work activities. The facilities are also required to report combustion equipment used during drilling, acidizing, gravel packing, and hydraulic fracturing.

The most frequently reported criteria pollutants emitted from the subject site are Reactive Organic Gases (ROG), Carbon Monoxide, Nitrogen Oxide, and Volatile Organic Compounds. The highest measured toxic air emissions by annual pounds are Benzene, Ammonia, Hexane, Toluene, and Xylene. Each of these chemicals are colorless gases. However, most of them have a different and distinct smells. Nitric oxide has a sharp sweet-smelling gas at room temperature, whereas nitrogen dioxide has a strong, harsh odor and is a liquid at room temperature. Ammonia is characterized by pungent sulfur like smell, while Benzene, Hexane, and Toluene can smell similar to a sweet, aromatic, gasoline-like odors or a combination of paint thinner and solvents. Diesel Engines are the primary combustion equipment used during drilling, acidizing, gravel packing, and hydraulic fracturing. Both SCAQMD and DOGGR records show drilling, acidizing, gravel packing, and hydraulic fracturing occurred at the Jefferson Drill Site. The primary air emissions from these activities are PM10, which is particulate matter 10 micrometers or less in diameter, and PM2.5 which is particulate matter 2.5 micrometers or less in diameter. The odors from these engines are that of partially combusted diesel fuel.

An SCAQMD Notice of Violation (NOV) is issued by an SCAQMD Air Quality Inspector to inform a business that it is out of compliance with applicable SCAQMD rule requirements, permit conditions or legal requirements, or with applicable state or federal air pollution regulations. Since 2003, SCAQMD issued three (3) air quality notices of violation for the drill site. The violations were for elevated fugitive emissions of volatile organic compounds (VOC) emitting from the WEMCO Water Clarification Unit equipment. VOCs are emitted by a selection of different liquids, gases, and solids. Common examples of VOCs are: benzene, ethylene glycol, formaldehyde, methylene chloride, tetrachloroethylene, toluene, xylene, and 1,3-butadiene. The VOC emissions from oil and gas wells and/or facilities can then mix in the air with other ground level pollutants (such as nitrogen oxide, carbon monoxide, sulfur dioxide, etc.) and the energy from the sun acts upon this mixture to form photochemical smog. VOCs are also one of the key ingredients that contribute to ozone formation. VOCs can be a

source of odors which can smell like paint, cleaning products, new car interiors or bleach. This type of air emission can be reduced by source control, vapor recovery, and/or ventilation systems

The South Coast Air Quality Management District's (SCAQMD's) Annual Emission Reporting (AER) program was developed to track emissions of air contaminants from permitted facilities such as the subject drill site. Under this program, those who emit more, pay more toward air pollution control efforts – and at the same time are given an incentive to reduce emissions.

The data collected by AER is used to update the comprehensive emissions inventory for the SCAQMD, which includes Orange County, the non-desert portions of Los Angeles and San Bernardino counties, and the Riverside county areas west of the Palo Verde Valley. This emissions inventory of pollutants and source categories is essential to effectively design and evaluate clean air strategies to comply with state and federal public health standards.

The 2016 Air Quality Management Plan, contains the 2012 Emission Inventory, which is the Base Year Emissions, used to project future year emissions and represents the most recent and comprehensive inventory in development. The VOC and NOx Stationary Source in 2012 Emitting 10 Tons/Year and Higher Table (Attachment C of the 2016 Air Quality Management Plan) lists the top SCAB VOC and NOx producers which emitted equal to or greater than ten tons per year in 2012. The total VOC emissions from the listed facilities represent 69.8 percent of the District's total point source VOC emissions and 8.2 percent of its total stationary VOC emissions. Similarly, the total NOx emissions from the listed facilities represent 85.1 percent of the District's total point source NOx emissions and 33.4 percent of its total stationary sources NOx emissions.

The stationary sources emissions result primarily from the combustion of fuels, evaporation of solvents or fuels, and processing of materials. Hence, stationary sources are grouped under fuel combustion, waste disposal, cleaning and surface coatings, petroleum production and marketing, industrial processes, solvent evaporation, and other miscellaneous processes.

For the 2016 reporting year, the Freeport-McMoran Oil & Gas Production Petroleum Facility reported an annual emissions of 0.836 tons per year of VOCs, which is a Criteria Pollutant and 13.154 pounds per year of Benzene, which is a Toxic Pollutant. However, Plains Exploration and Production Co. reported in 2012 emitting 15.729 tons per year of Criteria Pollutants consisting of Carbon Monoxide, Nitrogen Oxides, Reactive Organic Gases, Sulfur Oxides and Total Suspended Particulates. Also, PXP reported emitting 727 (pounds per year) of Toxic Pollutants, consisting of Benzene, Ammonia, Formaldehyde and other pollutants.

Division of Oil, Gas, Geothermal Resources (DOGGR) – The Division of Oil, Gas, and Geothermal Resources (DOGGR), within the State Department of Conservation supervises the drilling, operation, maintenance, and abandonment of oil, gas, and geothermal wells to protect the environment, public health, and safety. DOGGR issues

state permits to oil and gas operators prior to oil well operations for rework, re-drilling or other significant well maintenance activity. These oil well maintenance jobs are typically performed by a workover, maintenance, or drilling rig. Per DOGGR's definition, rework means any operation subsequent to drilling that involves deepening, redrilling, plugging, or permanently altering in any manner the casing of a well or its function.

DOGGR has designated the Jefferson Drill Site as a location known to have Hydrogen Sulfide (H₂S) gas. The U.S. Occupational Safety and Health Administration (OSHA) describes H₂S gas as a flammable, colorless gas that is toxic at extremely low concentrations. It is heavier than air, and may accumulate in low-lying areas. It often smells like "rotten eggs" at low concentrations and causes you to quickly lose your sense of smell. OSHA requires all personnel working in an area where concentrations of Hydrogen Sulfide may exceed the 10 Parts Per Million (PPM) should be provided with training before beginning work assignments.

DOGGR Actions

- Since 2001, there have been at least forty two (42) oil well maintenance jobs performed on production or injection wells at the subject drill site. A review of DOGGR records shows at least fifteen (15) acid stimulation, thirteen (13) casing repair, seven (7) redrills, four (4) gravel pack completions, and three (3) hydraulic fracturing jobs were permitted. The fifteen (15) acid stimulation jobs utilized a total of 37,500 gallons of hydrogen chloride (HCL) and 54,400 gallons of hydrogen chloride / hydrofluoric (HCl/HF) acid mixture. DOGGR records show as least 10,000 gallons of Potassium chloride (KCL) were used, as a corrosion inhibitor, multiple times at the drill site on various wells.

Los Angeles Municipal Code Section 13.01 (H) states: "Any person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance...shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted." In reviewing the planning case files and the LAFD files, no records of any applications for any of the forty two (42) oil well maintenance jobs permitted by DOGGR could be found.

- DOGGR records also noted a California Governor's Office of Emergency Services (CalOES) Hazardous Waste Spill Notification was issued on May 12, 2014 for an oil spill from the "Jefferson 18" oil well that sprayed an oil mist on the northeast side of the drill site onto 5-6 parked cars.
- DOGGR issued a State Violation on June 6, 2006 as the operator failed to notify the state in advance of well maintenance work on the "Jefferson 35" oil well.

PUBLIC HEARING

A Notice of Public Hearing was sent on December 22, 2016 to nearby property owners and/or occupants residing near the subject site. All interested persons were invited to attend the public hearing at which they could listen, ask questions, or present testimony regarding the project. Posting at the site occurred on January 12, 2017.

The purpose of the hearing was to obtain testimony from affected and/or interested persons regarding the oil drilling operation. The Zoning Administrator considered all the testimony presented at the hearing, written communication received prior to or submitted at the hearing, or subsequent thereto, and the merits of the current operation as it relates to existing environmental and land use regulations before issuing this Letter of Determination.

The hearing was conducted by Associate Zoning Administrator Theodore L. Irving, for the Office of Zoning Administration under Case No. ZA -17528(PA5) and CEQA No. ENV 2016-4823-CE on January, 26, 2017 at approximately 9:00 a.m. at Los Angeles City Hall, 200 North Spring Street, Room 1020, Los Angeles, CA 90012.

Nicki Carlson – Representative - Attorney with Alston & Bird LLP

- Sentinel Peak Resources recently acquired the oil drilling operation,
- The attorney who has been handling the case is sick,
- We are willing to listen to the community and respond to their concerns,
- We are still gathering information,
- We've had multiple inspections from 2014-2016,
- We've had annual inspections by the City (Fire Department and Building and Safety)
- Sentinel Peak Resources wants to be viewed as a good neighbor,
- SCAQMD found a faulty seal on a piece of equipment but it has since been replaced,
- Since 2014, we acknowledge there have been some complaints,
- However, the complaint process has not triggered a review of the operation and condition compliance,
- We request that the record be left open,
- Sentinel Peak Resources is here to establish a good relationship,

Jennifer Blum – Resident

- I'm a mom of a 3-year old, and I've had two miscarriages,
- The oil drilling operation leaves about 177,366 pounds of toxics in the air,
- We learned that last year, the operator sprayed a jasmine scented chemical into the neighborhood to cover the odor from the drilling site,
- We have had ash cover our cars,
- It is believed that the oil drilling produces endocrine disruptors which poses threats to women who are pregnant,
- Several friends of mine from within the neighborhood have suffered miscarriages,
- Have all of them [miscarriages] been caused by the chemicals from the oil drilling operation?

- The National Institute of Health links the endocrine disruptors to miscarriages in research that was done over a year ago,
- You are hearing stories of real people and they are not alternative-facts,
- Lives are more valuable than profits; I urge you to rise above the threats,

Lynell Washington – Planning Director, Council District 8

- The Councilman extends his greetings to the Zoning Administrator and expresses his gratitude for conducting this hearing,
- We are pleased the Zoning Administrator's office is reviewing the operation,
- I will read from a (January 25, 2017) letter that will be submitted to the public record,
- During a visit to the site, constituents showed us sprayed cars containing oil residue,
- Employees have painted the curb red to prevent residents from parking their cars,
- The operator parks 18-wheel diesel trucks along the residential streets,
- The Los Angeles Police Department has arrested someone possessing cocaine at the site,
- The Los Angeles Police Department has recommended to the operator that a license bonded security patrol be placed at the site,
- We share in the frustration with the citizens of the community,
- We support the closing of the operation;
- If there is no closing, we support a better air quality monitoring system,

Richard Park – Redeemer Community Partnership

- We appreciate the compliance review,
- We hope you will find the operator has not complied with the operating conditions,
- At the 2013 zoning hearing, we were forced to cancel our protest,
- A 63-page letter prepared for the Plan Approval 4 hearing was submitted,
- The 2014 Plan Approval hearing was held by Zoning Administrator Maya Zaitzevsky,
- The company withdrew the Plan Approval 4 application to look into some of the claims raised,
- Meanwhile, we continue to experience nuisances and adverse conditions ,
- We're happy that the hearing today is not being postponed.
- We've experienced cars sprayed with chemicals,
- We are experiencing loud sounds from the operation,
- We are being robbed of the peaceful enjoyment of homes,
- In 2014, there were so many mishaps,
- There has been cocaine use, and public drunkenness on the site,
- There have been employees barbequing on the site,
- In 2014, there was a fire on the site due to an employee error,
- There are hazardous warning signs posted to warn the community,
- You can see hazardous material employees working next to homes,
- The fumes from the oil drilling operation burns off and kills plants,
- If the fumes are harmful to plants, they are harmful to the community,

- We are asking for protection for our community, the same protection that is provided to wealthy communities on the Westside of Los Angeles,
- We need better air quality monitoring,
- Oil extraction activities are not compatible with an urban community,
- If the City does not revoke the permit, then we ask that you provide better protection for the community,

Lillian Marengo – 30-year Resident, 2 houses north

- My 7-year old son experiences bleeding of the nose and choking,
- One day, there was oil sprayed on cars and someone came out to wash my car without asking,
- My husband was diagnosed with cancer and my neighbor has cancer,
- Four people that I know have cancer,
- No one from the company communicates to the people,
- No one from the company responds to complaint calls,
- The oil drilling operation has affected my toilet and plumbing,
- We are fighting hard to keep nuisance activities out of our neighborhood,
- There is no way to fight this big company,
- A few of the neighbors who do not speak English, are afraid,
- People cannot get organized because they are afraid,

Raymiah Rhea - Resident

- Foul odors regularly fill the air,
- There are heavy diesel trucks all the time,
- We have filed many complaints with the AQMD,
- I work nearby and can smell the odors,
- Because of the foul odors, children are not allowed outside,

Ellen Hume – Resident of Raymond Avenue, since 1995

- In 2014, Hermosa Beach rejected an application to drill for oil,
- There is no EIR to cover the site; the site should be closed down,

Christ Hurst – Former Army Officer

- The Army would never place a facility like this near living quarters,
- Our military operations call for lots of petroleum and hazardous material,
- We would never have staff or citizens live this close to hazardous materials or operations,
- This should not be placed near residents,
- I'm concerned for my wife and my daughter,
- The US government would not be allowed to do this against staff and civilians; so they [applicant] should not be allowed to do this against these residents,

Dr. Tom Williams – East Los Angeles Resident,

- I'm a 40-year professional in the oil and petroleum industry,
- I've visited the site at least 20 times,

- I was a Metro Red Line Construction Manager, an Environmental Consultant, and a Hazardous Material Consultant,
- I worked on the Murphy site, which is linked to this site, and on the Inglewood Oil Fields site,
- I've seen at least five operators of this site,
- DOGGR requires Spill Contingency Plans, Notification Plans, and Emergency Response Plans,
- No plans exist that are required by the State of California,
- There are lots of things that this site does not have,
- The Pico – Doheny Site facility is fully enclosed, so why not this facility,
- The community is asking for more stringent conditions, similar to those imposed on the Pico-Genesee Facility and the Pico-Doheny Facility

Hamilton Yang – Resident Van Buren Street

- I work at a startup company,
- I'm awoken by the noise of the rigs drilling,
- I have a recording that helps you understand the noise (*played recording*)
- The noise goes on all day and it's disruptive to businesses,
- I'm concern about the harmful chemicals, particularly for our reproductive health,
- We should not have to trade off lives for profit,
- AQMD's response is inadequate; they are very slow to respond complaint calls,
- I'm requesting that the City stop this operation,
- If not, I asked that we are afforded the same protection for our community as those in other parts of the City,
- They should enclose the site, use electrical equipment, have improved monitoring,

Sarah Ling – 10-year Resident

- I'm concerned as a member of this community,
- Babies are vulnerable to the chemical exposures from the operation,
- Children are going to school and playing just a few minutes from the oil drilling,
- Children attending child care nearby are exposed daily to the toxic material,
- The operation disburses a heavy amount of nuisance chemicals that may be harmful and affect my baby

Corrisa Pacillas – 10-year Resident

- I live directly across the street,
- Everyday there is some sort of nuisance, noise or vibrations,
- The floors in my house shake, and the windows rattle,
- I'm not able to make calls because of the noise,
- Fumes permeate the homes nearby,
- I experience headaches and nausea,
- Tanker trucks impede the local traffic along the residential streets,
- I'm terrified of 10,000 gallon trucks in the neighborhood,
- We should not have to up-root ourselves because of the drilling,
- I ask that the site be closed,

- If not, then I ask that the same protections be afforded this community that is afforded other communities in Los Angeles,

Jamini Parech – Attorney, Communities for a Better Environment

- I appreciate the opportunity to speak about the project,
- The municipal codes allows the Zoning Administrator to impose additional conditions for this operation,
- The ZA must take an action to impose corrective conditions,
- The neighborhood has been decimated by this operation,
- The drilling is occurring immediately adjacent to a single family home,
- The operator allows highly contaminated diesels trucks on the site,
- In contrast, West Los Angeles neighborhoods regularly get protection,
- They have the chimney affect for the drill site,
- The municipal code regulates air quality
- Site should be shut down, or be required to use existing technology and practices,
- I will send a clean copy of the testimony to Alan Como,

Rev Oliver Brown – Holman United Methodist Church

- I just want to provide a little historical context to the oil drilling operation
- Way back when, eight (8) homes were demolished for this site, and a couple of homes were turned into low-income housing in 1999,
- The City approved a settlement with conditions to not complain about the project,
- These residents are three homes from the operation, and the harm that it causes,
- The City has done very little to protect the public's safety,
- But, the City has done all it can to help the oil company,
- We are here to protect the community,
- We request that the right thing be done,
- The project should have to comply with the guidelines,
- Treat all of the communities equally,

Virginia Kuhn – 7-year Resident,

- I pass by the site daily,
- I experience the traffic, noise and the smell,
- In 2015, eighteen residents gathered at the site,
- The air was horrible, my eyes started watering, and my throat started scratching,
- I reported the odors, and after AQMD was notified, the operator stopped,
- We can't trust the compliance requirement conditions,
- These things never happen in wealthy, white neighborhoods,
- I can't imagine what's going on with the small children in our neighborhood,

Nicole Wong – Lead Community Organizer for Redeemer Community Partnership

- The noise and nuisance can be experienced up to 1,000 feet from the property,
- It robs the neighborhood of its quiet peaceful enjoyment,
- The operation's noise starts very early in the morning,
- (a photo was shown of warning signs that earplugs are required on the site),
- (clips were shown of proximity of the operation to residences and the noise,

- Airplane noise is drowned out by the clanging noise of the drill equipment,
- Ambient noise is around 50 dba and at the worst time, it's around 80 dbl,

Amy Kimble – 7-year Resident, 2 blocks from the property

- I'm a girl scout leader,
- There are many low income families in this area; they can't just get up and leave,
- Lots of them are low income renters and not property owners,
- I've seen employees in full uniform smoking in front of the property,
- The employees should be prevented from smoking,

Nathan Smith – Resident with 150 feet

- The operator uses acid to clean up spills on the site,
- An AQMD 2013 regulation requires that its Executive Officer be notified of any drilling activities that are conducted,
- The acid used to clean up spills can cause skin burns and the neighbors are not notified when the acid is being used,
- Also, the community is not properly notified of the drilling activities,

Longdy Sonn – Resident 8 years, within 1 mile,

- The plant life at the site says a lot,
- The toxic chemicals exposure is demonstrated by how it affects plant life,
- In 2014, four tanker trucks filled with acid were at the site,
- This led to plants being killed
- Freeport-McMoRan Oil and Gas claimed it was over-fertilization that killed them,
- This claim was disputed by doctors,
- Also, the nearby residents claim plants and trees have died
- If chemical causes plants in the neighborhood to die, then imagine the affects the chemicals have on the residents,

Michelle Prichard – Liberty Hill Foundation

- In April 2016, the City passed the Clean Up Green Up ordinance,
- The ordinance was designed just for situations like this,
- The ordinance is the official policy to address environmental injustice in neighborhood like this,
- It prevents users from operating in neighborhoods regardless of the implications,
- Meanwhile, there should be protections in place to safeguard the community,
- (The speaker submitted a letter to the case file),

Janelle Look - 8-year Resident 1 mile from the site,

- Submitted a letter to the case file, on behalf of another resident who could not attend,

Andrew Wong - Resident, 5 minute walk from the site

- I have an asthma condition,
- Had to seek medical attention because of my condition deteriorated,
- Hazardous conditions impact my respiratory health,

- My right to breath should not be compromised,
- The Zoning Administrator should revoke the permit for this operation,
- If not, the project should be required to enclosed its operation,
- Extend treatment equitable to those in West Los Angeles,

Lisa Placenti – 15-year Resident ½ mile from site

- 1965 conventional technology and practices being use,
- 1965 conditions are not appropriate today,
- (The speaker will submit a letter to the case file)

Alexis Spencer–Byers - Resident within 1 mile

- Concern with the health affects,
- Kathy Spikel's letter submitted into the case file,
- The drilling causes noise and odor problems as well shaking and vibrations,
- In 2005, smoke was seen at the facility, but a worker managed to cover it up,
- There is no excuse for anything close to the facility,

Gabby Santos – Research Assistant, Redeemer Community Partnership,

- Toxic substances should be shielded from the community,
- We can't understand how this drilling fits into the residential neighborhood,
- The company is hiding one chemical problem with another,

Edith Parker -16-year Resident (Daisy Translated the testimony)

- I live in front of the operation,
- My two children were born with asthma problems,
- I complained about the problem, but I got no help,
- My child are experiencing breathing problems, and I'm experiencing the same symptoms,
- I experience the noise and vibration from the oil drilling,

David Zazaro-Lopez Brighton Street Resident, ½ mile away

- All my life I've lived in the area,
- As a senior in college, I was diagnosed with an epileptic condition,
- The nervous system can be affected,
- I realize my friend and others in the neighborhood were also affected,
- They said that I have to apply for disability because of my condition, and that others may be affected,
- Thanks to the others that are testifying today,
- I hope that the site can be closed; if not, then regulate it so that it is safe,

Amearo Santiago 14-year resident

- My family experiences asthma conditions,
- I experience health problems myself,
- Concern is not enough, we must get medical attention,
- I'm concerned about my family,

Marta-Dina Arguello - Physician for Social Responsibilities (PSR)

- PSR-LA advocates for policies and practices that improve public health, eliminate nuclear and environmental threats, and address health disparities,
- There is a healthy body of evidence that is very important,
- Drilling operations release lots toxic chemicals, and including endocrine disruptors,
- Endocrine disruptor matters create conditions that can lead to distress, anxiety, etc....
- Places (home, church, schools, etc...) that are typically known as respites are no longer respites when close to such an operation, and this leads to increased distress and anxiety
- (A written testimony will be submitted to Alan Como)

Anne Park - Resident 5-blocks away

- I work with children at a nearby school,
- The drill operation is used to teach children,
- (Speaker read a letter from a student (Rosa) at John Mack School),
- The oil drilling operation is not good for a neighborhood,
- They should stop throwing acid onto the ground,
- Rosa learned of the chemicals from the operation,
- I didn't share that this is not happening with children in the West Los Angeles area, or that the West Los Angeles facilities are enclosed, there is no noise, there is 24-hour monitoring, etc....
- There are judgements made by the City of Los Angeles that affect our lives,
- (Alan will receive a copy of Rosa's letter)

Michael Jones - Resident ½ mile away

- Plan Approval 4 had a lighting requirement to shield lighting,
- KPCC interviewed a resident that showed the operation was lighted from afar,
- Artificial lighting has significant affects,
- This is compared to the Northern California case (PGE Operator),
- We request that you close the operation,
- If not, then we request that you provide the same protection as those neighborhoods in West Los Angeles,

Alex Shippee – Resident 3 blocks from the site

- I'm reading a letter submitted by Cesar Gonzalez, a 20-year resident of the neighborhood,

Kalissa Morgan 4-year Resident 5 blocks from the site,

- I'm a nurse and I witness the suffering of cancer patients,
- I see parents dealing with their children who have been diagnosed with cancer,
- I'm advocating for a reduction of the toxic chemicals,
- Submitted a letter showing the real health effects of these chemicals
- The City needs to invest in its communities,

Kevin Blue – 28-year Resident ½ mile from the site

- I'm a parent of three children and lead pastor of Christ the Redeemer Church
- I'm offering a little history of the area,
- I've seen lots of business operate to the detriment of the neighborhood,
- I have seen liquor stores selling to minors,
- I've worked to close such businesses,
- This operation is a detriment to the neighborhood,
- It is unconscionable that Los Angeles allows these types of businesses to exist in our neighborhoods,
- I urge you to restrain this activity, and I pray that it be shutdown,

Darryl Gale – Downtown Resident

- I'm speaking on the Urban Drilling Concept,
- Los Angeles was developed on oil beds,
- We didn't know then what we know now,
- They should list the chemicals and state if they are harmful,
- Drilling should be stopped; electric trucks should be used not diesel trucks,
- This is what happens in a third-world city; this should not happen in the City of Los Angeles,

Angela Johnson-Meszares Attorney

- I submitted a large volume document to the Planning Department on June 4, 2016,
- The petitions incorporated complaints (in appendixes),
- Included with the petition are photographs,
- I request that the testimony in the 2014 hearing be incorporated by reference,
- You have heard over 2½ hours of testimony of experiences that reflect on operation of the drill site,
- It's not a question of agency inspections and reporting of conditions of the operation,
- Really, it's a question of compliance with the conditions of approval and in a manner that reflects the safety afforded the community,
- We appreciate the opportunity to provide additional information,
- In the 1965 determination, the Office of Zoning Administration was reserved the right to impose conditions to protect the community,
- It's clear that the operation has operated in a manner that's not safe for the community and it has now become a nuisance,
- We request that you revoke the permit to operate,
- Or, provide the protection from harmful impacts that is afforded to others in the City of Los Angeles.

Following the public hearing, the record remained open for 30 days to allow the new operator's representative time to look into the claims shared by those who testified, the operator's record and the public records.

Correspondence

June 9, 2016

Petition for Abatement of Public Nuisance – EARTHJUSTICE

July 18, 2016	LAPD – Loitering, Pubic Drinking, Narcotic Sales & Barbequing
December 9, 2016	Response to November 1, 2016 Letter from Gibson, Dunn & Crutcher - EARTHJUSTICE
January 24, 2017	Jefferson Drill Site Public Hearing – Sentinel Peak Resources
January 25, 2017	Hearing on the Jefferson Drill Site – Councilman Harris-Dawson
January 26, 2017	Public Hearing - Letters and Emails
	September 20, 2013 – Letter representing 6 community groups
	November 24, 2014 – Letter representing 7 community groups
	Several written letters, emails and testimonies
February 24, 2017	Approvals of Plans – Compliance with Effectiveness of Permit Conditions- EARTHJUSTICE
February 27, 2017	Request to Defer Corrective Action – Sentinel Peak Resources
April 7, 2017	Response to 2/27/17 Correspondence from Sentinel Peak Resources - EARTHJUSTICE
April 13, 2017	Jefferson Drill Site – Sentinel Peak Resources
September 22, 2017	Jefferson Drill Site Evaluation Report – Office of Petroleum and Natural Gas Administration and Safety

MANDATED FINDING(S)

1. The site, known as the Jefferson Oil Drill Site, part of the Las Cienegas oil field, is located on a level, 1.86 acre, rectangular-shaped property, comprised of twelve record lots located on the north side of Jefferson Boulevard, between Van Buren Place to the west, and Budlong Avenue to the east. The nearest residential uses are located beginning at the northerly property line of the site, and on the west and east sides of Van Buren Place and Budlong Avenue, respectively. The drill site is classified in the C2-1VL-O, R2-1-O, and RD1.5-1-O Zones, and within Urbanized Oil Drilling District No. U-124 as first established by Ordinance No. 129,760 in 1965. Urbanized Oil Drilling District No. U-104 was established by Ordinance No. 125,991 on November 1, 1963, Urbanized Oil Drilling District No. U-134 was established by Ordinance No. 131,451, and finally Urbanized Oil Drilling District No. U-135, established by Ordinance No. 131,452.
2. Since it was first authorized on April 29, 1965 under ZA Case No. 17528, the oil drilling and oil production facility has operated at the Jefferson Oil Drill Site property with no interruptions according a review of the Zoning Administrator's record and information attached to the file. Subsequent Plan Approval requests have also been granted to the facility operators, in order to allow continuous oil drilling and oil production on the property, mainly for occasional new drilling or re-drilling of existing wells. The most frequent purpose of the re-drilling was to remedy downhole problems that have developed with the wells, more specifically when the wells are almost dry. Once the wells were dry, the operator of the site immediately began re-drilling the wells at different subsurface locations, with the surface location remaining the same. The re-drilling allowed the operator to tap into other areas a few miles below the surface that will yield more oil. Without such re-drilling, the wells are not fully exhausted and it is for this purpose that the terms and conditions controlling drilling and production operations occasionally required revisions or modification. The last Plan Approval request granted

by the Zoning Administrator was issued April 22, 2008, which permitted the re-drilling of one Class "A" oil well.

3. The review of the case file indicates that the operators of the drill site have failed to maintain full compliance with all of the Zoning Administrator's conditions of approval. For example, the operators have failed to maintain compliance with Condition No. 6 which requires that a more rigid permanent type of attractive soundproof enclosing fixture be provided if the first test well upon the site proves to be successful and additional wells are to be drilled. The oil drilling and oil production facility has successfully operated for over 50 years; yet, the operators have not provided a permanent type of soundproofing in order to comply with the condition.

The operators have failed to maintain compliance with Condition No. 15 which requires that any owner, lessee or permittee and their successor and assigns, must at all times be insured to the extent of \$2,000,000 against liability in tort and public liability and property damage arising from drilling or production or activities or operation. The case file is absent any evidence that the previous operators, PXP or Freeport-McMoran Oil and Gas, obtained the required insurance nor does it show that the current operator is in compliance with the requirement.

Over the years, the operators have failed to maintain compliance with Condition No. 16 which requires that surety bonds for the required street dedication in the sum of \$5,000 be approved by the City Attorney, executed by both the applicants and any lessee who is to do the actual oil drilling and filed with the Chief Zoning Administrator before any permit is issued. The last bond on file is dated June 3, 1996 between Torch Operating Company and Reliance Insurance Company and for Oil Drilling District U-104, Oil Drilling District U-124 and Oil Drilling District U-135. The records do not show any bonds were filed by the current operator - Sentinel Peak Resources, or the prior operators - PXP or Freeport-McMoran Oil and Gas.

During the public hearing, testimony was provided that odors were experienced coming from the oil drilling and production facility. In addition, public records provided to the Zoning Administrator showed that the SCAQMD has been called to investigate odors from the facility on at least two occasions over the past two years. In 2014 (Complaint No. 244,264) multiple complainants reported that diesel and petroleum odors were coming from the facility. An investigation was conducted in which a leak in the wastewater area from the skimmer shaft was found. In 2016 (Complaint No. 264,904), a complainant reported that a strong acidic odor was in the air and fumes were in the air, but after an investigation, the source of the odor was not identified. Hydrochloric (HCL) and hydrofluoric (HFL) acids, which are commonly used at oil drilling and oil production facilities, have been known to the cause unpleasant odors that generally dissipate. Consequently, Condition Nos. 5 and 6 have been revised to require that a permanent enclosure be provided and Condition No. 8 has been revised to include the installation of a fence line community air monitoring and reporting system.

Also, testimony was provided during the public hearing that excessive noise was heard coming from the oil drilling and oil production facility. The residential buffer, initially established between the drill site and adjacent lots to the north, has been eliminated

and the protection it was intended to provide has been removed. An audio recording of the oil drilling and production operation was played during the public hearing and submitted to the Zoning Administrator to be incorporated in the case file. Loud equipment and machines could be clearly heard on the recording. The height of the rigs and the soundproof covering are thought to be same at 141 feet high, but the rigs should be shorter than the covering by a minimum of 5 feet. Hence, existing Condition Nos. 2, 3, 5, 6 and 9 have been revised to address the sounds coming from the Jefferson Oil Drill site. New Conditions Nos. 29, 31, 32 and 33 have been added to also address the sounds from the oil drilling and oil production facility.

Further, testimony was provided during the public hearing that lights were observed from the oil drilling and production facility's night operation and photographic evidence was provided to support the testimony. The lights from the oil drilling and production operation were not shielded and can be observed illuminating the adjoining two-story, multi-family residential building along the northerly property line. Staff observed lights from the drilling site while driving by the facility. Existing Condition Nos. 2, 3, and 27 were revised to control the lighting on the drill site.

Finally, testimony was provided that hazardous materials were observed being delivered to the Jefferson Oil Drill site. Photos of the hazardous material tanker trucks were provided at the hearing which were submitted to the case file. Testimony was provided that the hazardous material was not being handled properly, and on one occasion, cars were sprayed with a misty oily substance which then had to be removed by the operator. Existing Condition Nos. 2, 3, 5 and 9 were revised to address hazardous chemical concerns at the oil drill site, while Condition Nos. 28 and 32 were added.

4. In a September 22, 2017 report, the City's Petroleum Administrator noted the following:
- Currently, the Jefferson Oil Drill Site has thirty-six (36) wells and more than forty-two (42) pieces of permanent industrial equipment used for the processing and transportation of oil and natural gas produced on site.
 - Since 2001, there have been at least forty two (42) oil well maintenance and redrilling jobs performed on production or injection wells at the site. A review of DOGGR records shows at least fifteen (15) acid stimulation, seven (7) redrills, four (4) gravel pack completions, and three (3) hydraulic fracturing jobs were permitted by DOGGR at the site in the last 12 years.
 - The fifteen (15) acid stimulation jobs utilized a total of 37,500 gallons of hydrogen chloride (HCL) acid and 54,400 gallons of hydrogen chloride / hydrofluoric (HCl/HF) acid mixture. Potassium chloride (KCL) was also used multiple times on various wells as a corrosion inhibitor. DOGGR records show at least 10,000 gallons of KCL was used on the site.
 - In reviewing the Zoning Administrator and LAFD files, there appears to be no records or application forms for at least forty two (42) oil well maintenance jobs

permitted by CA DOGGR. This may be a violation of the Los Angeles Municipal Code 13.01 Section H.

- DOGGR issued a State Violation on June 6, 2006 for the "Jefferson 35" oil well for a failure to notify the state in advance of well maintenance work.
- DOGGR records noted a California Governor's Office of Emergency Services (CalOES) Hazardous Waste Spill Notification on May 12, 2014 for an oil spill from the "Jefferson 18" oil well that sprayed an oil mist on the northeast side of the drill site onto five (5) to six (6) parked cars.
- DOGGR has designated the Jefferson drill site as a location known to have Hydrogen Sulfide (H₂S) gas. It often smells like "rotten eggs" at low concentrations and can cause individuals to quickly lose their sense of smell.
- SCAQMD Annual Emissions Reports show the presence of Reactive Organic Gases (ROG), Carbon Monoxide, Nitrogen Oxide, and Volatile Organic Compounds. The reports also confirmed the presence of toxic air emissions, including Benzene, Ammonia, Hexane, Toluene, and Xylene. These chemicals have different and distinct smells, ranging from a sharp sweet-smelling gas of nitrogen oxide, to Ammonia which is characterized by a pungent sulfur like smell, and Benzene, Hexane, and Toluene which can smell similar to a sweet, aromatic, gasoline-like odor or a combination of paint thinner and solvents.
- Since 2003, SCAQMD has issued three (3) Notice of Violations at the drill site. These violations were related to elevated fugitive emission levels Volatile Organic Compounds (VOC) from the WEMCO Water Clarification Unit equipment.

The Petroleum Administrator has asked the Office of Zoning Administration to consider the following recommendations as new operating conditions for this location: (i) enclose the drill site in a permanent structure, (ii) install a fence line air monitoring system, (iii) install an enhanced vapor recovery system, (iv) install an acoustic/vibration/video monitoring system, and/or conduct annual monitoring reporting for compliance by the Los Angeles City Petroleum Administrator. The Zoning Administrator agrees with the recommendations and has incorporated them into the conditions of approval and will refer the possible violations mentioned above to the Environmental Justice Unit of the City Attorney's Office.

5. While several Plan Approval grants have been issued to the various operators over the years, a comprehensive monitoring and compliance program has not been in place. An awareness of the effects that urban oil drilling and production operations have on communities has grown in the interim and particularly over the last several years since the Jefferson Oil Drill site was first authorized to operate. The technology used for oil drilling and production has advanced significantly over the years, and the measures to protect communities have advanced as well. Review and evaluation of this case has resulted in an investigation of the best practices and technological advancements which are reflected in the revised conditions found in this subject determination.

Consequently, a review of all measures being used to protect the surrounding community is necessary to make certain that such measures are appropriate and effective; thus, a requirement to file a Plan Approval is among the conditions of approval to review the protective measures and current practices that are imposed as a condition of approval.

6. Based on the review public records, site visits and the testimony from the public, and other evidence submitted to the record, it is hereby determined that the current conditions of approval imposed on the subject drill site are not sufficient to preserve the health, safety and general welfare of the nearby residential neighborhood. Therefore, revisions have been made to the conditions of approval for the Jefferson Oil Drill site operation in order to maintain reasonable noise levels, odor control and hazardous monitoring. Condition No. 35 was added to the Conditions of Approval to require a Condition Compliance Plan Approval after 24 months to determine if the conditions contained in this determination are reducing and maintaining reasonable noise levels, odor controls and hazards reduction monitoring, or if additional conditions are needed to reduce deleterious effects of the operation on the neighborhood. In addition, Condition No. 30 requires the quarterly monitoring of the oil drilling operation by the Los Angeles Fire Department during the first five years following this action.

ADDITIONAL MANDATORY FINDINGS

Flood Hazard

7. The National Flood Insurance Program rate maps, which are a part of the Flood Hazard Management Specific Plan adopted by the City Council by Ordinance No. 172,081, have been reviewed and it has been determined that this project is located in Zone B, areas between limits of the 100-year flood and 500-year flood; or certain areas subject to 100-year flooding with average depths less than 1 foot or where the contributing drainage area is less than 1 square mile; or areas protected by levees from the base flood.

Environmental

8. On August 31, 2017, the project was issued a Notice of Exemption pursuant to Article II, Section 2, Subsection c. of the City CEQA Guidelines, log reference ENV-2016-4823-CE, for a Categorical Exemption, Class 1 Category 6 (Existing Facilities) and Class 21, Category 2 (Enforcement Actions by Regulatory Agencies); (Article III, Section 1, City CEQA Guidelines).

The City of Los Angeles determined based on the whole of the administrative record, that the Project is exempt from CEQA Guidelines, Section 15301 (f) (Existing Facilities); Section 15321 (a)(2) (Enforcement Actions by Regulatory Agencies). There is no substantial evidence demonstrating that an exception to a categorical exemption pursuant to CEQA Guidelines, Section 15300.2 applies. The project was found to be exempt based on the following:

Class 1 (Existing Facilities) consists of the operation, repair, maintenance or minor

alteration of existing private structures, facilities, or mechanical equipment, involving negligible or no expansion of use beyond that previously existing. Class 1, Category 6 addresses the addition of safety, security, health or environmental protection devices for use in conjunction with existing facilities or mechanical equipment.

Class 21 (Enforcement Actions by Regulatory Agencies) consists of actions by regulatory agencies to enforce a permit or other entitlement for use which is issued, adopted or prescribed by the regulatory agency. Class 21, Category 2 provides for the adoption of an administrative decision or order enforcing the permit or other entitlement for use.

Hence, the Notice of Exemption is appropriate for this Project which involves reviewing, restating, and revising conditions of approval already imposed for the operation of an existing oil drilling and oil production facility. Following a review of the effectiveness of the current conditions, revisions were made and additional conditions added to require the installation of enclosures, structures and equipment such as videotapes, or computer equipment to improve the safety and security of the operation. Revisions were also made to improve the enforcement of conditions and the operator's compliance, such as the requirement to file a covenant, consultation with the City's Petroleum Administrator and other monitoring and reporting obligations to ensure all applicable regulatory compliance requirements are met.

Inquiries regarding this matter shall be directed to Alan Como, City Planner, West-South Project Planning Division at (213) 473-9985.


THEODORE L. IRVING, AICP
Associate Zoning Administrator

Attachment(s)


Jefferson Drill Site Evaluation Report (ZA-1965-17528-PA5)

cc: Councilmember Marqueece Harris-Dawson
Eighth District
Adjoining Property Owners
Vincent P. Bertoni, Director, Los Angeles Department of City Planning
Uduak-Joe Ntuk, Petroleum Administrator,
Office of Petroleum and Natural Gas Administration and Safety
Ralph M. Terrazas, Fire Chief, Los Angeles Fire Department
Charlie Beck, Chief of Police, Los Angeles Police Department
Frank Bush, General Manager, Los Angeles Department of Building and Safety
Enrique C. Zaldivar, Director, Department of Public Works, Bureau of Sanitation

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

DATE: September 22, 2017

TO: Theodore Irving, Zoning Administrator
City of Los Angeles Planning Department

FROM: Uduak-Joe Ntuk, Petroleum Administrator 
Office of Petroleum and Natural Gas Administration & Safety

SUBJECT: Jefferson Drill Site Evaluation Report (ZA-1965-17528-PA5)

This report is in response to the City of Los Angeles Planning Department's request to evaluate the oil and gas operations at the Jefferson Drill Site located at 1349-1375 W. Jefferson Blvd., Los Angeles, CA 90007. The Office of Zoning Administration is conducting a Plan Approval of the Jefferson Drills to verify compliance with and the effectiveness of the conditions imposed under ZA-1965-17528 (PA3). The scope of this report is only to: (a) interpret the history of site's oil well maintenance work, (b) review the Los Angeles Fire Department (LAFD) oil well permits, (c) review air emissions records from the South Coast Air Quality Management District (SCAQMD), (d) evaluate the permitted well work by the California Division of Oil, Gas, and Geothermal Resources (CA DOGGR) and (e) provide recommendations for enhanced health and safety operating conditions.

I. FINDINGS

Based on the limited scope of evaluation, this report makes the following findings related to the Jefferson Drill Site:

- Currently, the Jefferson Drill Site has approximately thirty-six (36) oil wells and more than forty two (42) pieces of permanent industrial equipment used for the processing and transportation of oil and natural gas produced on site.
- Since 2001, there have been at least forty-two (42) oil well maintenance and redrilling jobs performed on production or injection wells at the site. A review of CA DOGGR records shows at least fifteen (15) acid stimulation, seven (7) redrills, four (4) gravel pack completions, and three (3) hydraulic fracturing jobs were permitted at the site over the last 12 years.
- The fifteen (15) acid stimulation jobs utilized a total 37,500 gallons of hydrogen chloride (HCL) acid and 54,400 gallons of hydrogen chloride / hydrofluoric (HCl/HF) acid mixture. Potassium chloride (KCL) was also used multiple time on various wells as a corrosion inhibitor. CA DOGGR records show as least 10,000 gallons of KCL was used on site.

- In reviewing the Zoning Administrator and LAFD files there appears to be no records on application forms for at least forty-two (42) oil well maintenance jobs permitted by CA DOGGR. This may be violation of the Los Angeles Municipal Code 13.01 Section H.
- CA DOGGR issues a CA State Violation on June 6, 2006 for the "Jefferson 35" oil well for failed to notify the State of CA in advance of well maintenance work.
- CA DOGGR records noted a California Governor's Office of Emergency Services (CalOES) Hazardous Waste Spill Notification on May 12, 2014 for an oil spill from the "Jefferson 18" oil well that sprayed an oil mist on the northeast side of the drill site onto five (5) to six (6) parked cars.
- CA DOGGR has designated the Jefferson drill site as a location known to have Hydrogen Sulfide (H₂S) gas. It often smells like "rotten eggs" at low concentrations and can causes individuals to quickly lose their sense of smell.
- SCAQMD Annual Emissions Reports show the presence of Reactive Organic Gases (ROG), Carbon Monoxide, Nitrogen Oxide, and Volatile Organic Compounds. The reports also confirmed the presence of toxic air emissions, including Benzene, Ammonia, Hexane, Toluene, and Xylene. These chemicals have a different and distinct smells, ranging from a sharp sweet-smelling gas of nitrogen oxide, to Ammonia which is characterized by a pungent sulfur like smell, and Benzene, Hexane, and Toluene which can smell similar to a sweet, aromatic, gasoline-like odors or a combination of paint thinner and solvents.
- Since 2013, SCAQMD has issued three (3) Notices of Violations at the drill site. These violations were related to elevated fugitive emission levels of Violate Organic Compounds (VOC) from the WEMCO Water Clarification Unit equipment.
- The Planning Department could consider the following new operating conditions for this location: ***(i) enclosing the drill site in a permanent structure, (ii) fence line air monitoring system, (iii) enhanced vapor recovery system, (iv) acoustic/vibration/video monitoring system, and/or (v) annual monitoring report for compliance by the Los Angeles City Petroleum Administrator.***

II. Background

The Jefferson Drill Site is a controlled oil and natural gas drilling site in the Urban Oil Drilling Districts of U-104, U-124, U-134, and U-135. It is located in the Empowerment Congress North Area Neighborhood Council near the University of Southern California at 1349-1375 W. Jefferson Blvd., Los Angeles, CA 90007. The drill site was first approved in 1965 and has changed operating companies at least six times over the last

fifty years. It went from the Union Oil Company of California in 1965 to Torch Operating Company, Nuevo Energy Company, Bentley Simonson Inc, Plains Exploration and Production Company, Freeport McMoran Oil & Gas, and is now operated by Sentinel Peak Resources, LLC.

The following is a listing of current oil wells at the Jefferson Drill Site, as of June 2017:

	LAFD#	API#	Well Name	Well Type	Well Status
1	2333	3700294	Jefferson 1	Producer	Active
2	2350	3700274	Jefferson 2	Producer	Active
3	2342	3700275	Jefferson 3	Producer	Active
4	2325	3700295	Jefferson 4	Producer	Active
5	2346	3700276	Jefferson 5	Producer	Active
6	2339	3700296	Jefferson 6	Producer	Active
7	2329	3700297	Jefferson 7	Producer	Active
8	2315	3700277	Jefferson 8	Producer	Active
9	2341	3700298	Jefferson 9	Producer	Idle
10	2345	3700299	Jefferson 10	Producer	Idle
11	2334	3700300	Jefferson 11	Producer	Active
12	2353	3700278	Jefferson 12	Producer	Idle
13	2357	3700301	Jefferson 13	Injector	Active
14	2360	3700279	Jefferson 14	Producer	Active
15	2362	3700302	Jefferson 15	Producer	Active
16	2364	3700303	Jefferson 16	Producer	Active
17	2366	3700304	Jefferson 17	Producer	Active
18	2374	3700280	Jefferson 18	Injector	Active
19	2370	3700281	Jefferson 19	Producer	Active
20	2377	3700282	Jefferson 20	Producer	Idle
21	2380	3702026	Jefferson 21	Injector	Active
22	2367	3700046	Jefferson 22	Injector	Active
23	2382	3700283	Jefferson 23	Injector	Active
24	2383	3700284	Jefferson 24	Injector	Active
25	2384	3700285	Jefferson 25	Producer	Active
26	2409	3720091	Jefferson 26	Producer	Idle
27	2412	3720099	Jefferson 27	Producer	Active
28	2410	3720098	Jefferson 28	Injector	Active
29	2407	3720054	Jefferson 29	Producer	Active
30	2402	3720048	Jefferson 30	Producer	Active

31	2411	3720143	Jefferson 31	Producer	Active
32	2453	3720274	Jefferson 32	Producer	Idle
33	2444	3720244	Jefferson 33	Producer	Idle
34	2433	3720187	Jefferson 34	Injector	Idle
35	2439	3720201	Jefferson 35	Injector	Active
36	2445	3720233	Jefferson 36	Producer	Active

The Jefferson Drill Site currently has approximately thirty-six (36) wells. There are twenty-seven (27) production wells and nine (9) injection wells. As of June 2017, twenty (20) of the production wells are active and nine (9) of the injection wells are active according to CA DOGGR records.

Each well at this drill site is categorized as a "critical well" by CA DOGGR according to the California Code of Regulations, Title 14, Division 2, Chapter 4, Section 1720(a). This designation requires increased safety measures, such as additional requirements for blow out prevention equipment, emergency backup systems, and control valves. Critical wells can meet any of the following criteria:

1. 300 feet of the following:
 - a. Any building intended for human occupancy that is not necessary to the operation of the well; or
 - b. Any airport runway.
2. 100 feet of the following:
 - a. Any dedicated public street, highway, or nearest rail of an operating railway that is in general use;
 - b. Any navigable body of water or watercourse perennially covered by water;
 - c. Any public recreational facility such as a golf course, amusement park, picnic ground, campground, or any other area of periodic high-density population; or
 - d. Any officially recognized wildlife preserve.

The applicable criteria for the Jefferson drill site oil wells are 100 feet from a dedicated public street (Criterion 2a) and 300 feet from a building intended for human occupancy (Criterion 1a).

A review of the Los Angeles Fire Department's (LAFD) well files for all thirty-six (36) wells was performed. Every well has a current LAFD Permit for oil well operations and maintenance in the name of the current operator, Sentinel Peak Resources California LLC.

The Planning Department and CA DOGGR Plot Plans shows at least forty-two (42) pieces of industrial processing equipment of approximately twenty (20) different types at the drill site. Below is a list of the various types of equipment identified:

Item #	Equipment Name	Count On-Site	Description
1	Free Water Knockout (FWKO) Vessel	1	A free-water knockout (FWKO) is commonly called a three-phase separator because it can separate gas, oil and free water. The liquids that are discharged from the FWKO are further treated in vessels called treaters.
2	Test Separator	4	Instrumented vessel that separates well effluent into three phases for well testing and metering. Well effluents may be gas, gas condensate, light oil, heavy oil, and foaming oil as well as oil containing water and impurities such as mud or solid particles. Includes inlet and outlet piping.
3	Heater Treater	1	A vessel that uses heat to break oil-water emulsions so the oil can be accepted by the pipeline or transport.
4	Blowcase	1	An electrically controlled single chambered vessel that collects liquids at low pressure and uses a higher pressure gas stream to boost the fluid into a higher pressure system without use of a pump.
5	Fire Pump	1	A fire pump is a part of a fire sprinkler system's water supply and powered by electric, diesel or steam. The pump intake is either connected to the public underground water supply piping, or a static water source like a tank or water reservoir.
6	Natural Gas Scrubber	4	A device at the initial bulk separation of liquid/gas fluids beginning the Compression Stage of gas processing. Includes inlet and outlet piping.
7	LACT Unit	2	A Lease Automatic Custody Transfer (LACT) unit measures the net volume and quality of liquid hydrocarbons. A LACT unit measures volumes in the range of 100-1000 BOPD. This system provides for the automatic measurement, sampling, and transfer of oil from the lease location into a pipeline.
8	Relief Stack	1	In the case of emergency relief or depressurization, a column for releasing excess pressure from the process system.
9	Glycol Receiver	1	Cylindrical collection tank to receive new or processed glycol in the dehydration process. Includes inlet and outlet piping connections.
10	Oil Receiver	1	Collection tank to receive processed crude oil prior to shipping offsite through pipeline. Includes inlet

			and outlet piping connections.
11	Oil Separator	2	A pressure vessel used for separating well fluids produced from oil and gas wells into gaseous and liquid components. Includes inlet and outlet piping connections.
12	Oil Shipping Launcher	1	The outlet point of crude oil to be shipped to another location through a pipeline.
13	Oil Wells	36	A boring of steel casing and cement into the Earth that is designed to bring petroleum hydrocarbons to the surface. There are 27 production wells and 9 water injection wells.
14	Wemco Water Clarification Unit	1	A separation vessel that removes oil and suspended solids from process streams. Includes inlet and outlet piping connections.
15	Compressors	3	A mechanical device that increases the pressure of a gas by reducing its volume. Includes inlet and outlet piping connections.
16	Chemical Tanks	12	Above ground storage tanks that holds aqueous foam, lube oil, emulsifier, glycol, solvent, and clarifier fluids. Ranging in size from 55-1,000 gallons. Includes inlet and outlet piping.
17	1,000 Barrel Tank (42,000 gallons)	1	Above ground storage tank that holds waste water. Includes inlet and outlet piping connections.
18	500 Barrel Tank (21,000 gallons)	2	Above ground storage tank that holds liquid petroleum products (oil or NGL's) and water. Includes inlet and outlet piping connections.
19	380 barrel Waste Water Tank (15,960 gallons)	1	Above ground storage tank that holds produced water and oil. Includes inlet and outlet piping connections.
20	Reda Pumps	2	A horizontal multistage surface pumping system for fluid movement.

III. CA DOGGR Records Review

The State Department of Conservation's California Division of Oil, Gas, and Geothermal Resources (CA DOGGR) supervises the drilling, operation, maintenance, and abandonment of oil, gas, and geothermal wells to protect the environment, public health, and safety. CA DOGGR issues state permits to oil and gas operators prior to oil well operations for rework, re-drilling or other significant well maintenance activity. These oil well maintenance jobs are typically performed by a workover, maintenance, or drilling rig. According to CA DOGGR, Rework means any operation subsequent to

drilling that involves deepening, re-drilling, plugging, or permanently altering in any manner the casing of a well or its function.

Since 2001, there have been at least forty two (42) oil well maintenance jobs performed on production or injection wells at the site. A review of CA DOGGR records shows at least fifteen (15) acid stimulation, thirteen (13) casing repair, seven (7) re-drills, four (4) gravel pack completions, and three (3) hydraulic fracturing jobs were permitted. The fifteen (15) acid stimulation jobs utilized a total 37,500 gallons of hydrogen chloride (HCL) acid and 54,400 gallons of hydrogen chloride / hydrofluoric (HCL/HF) acid mixture. Potassium chloride (KCL) was also used multiple time on various wells as a corrosion inhibitor. CA DOGGR records show as least 10,000 gallons of KCL was used on site.

The following is a summary of CA DOGGR permitted well maintenance rework or re-drilling activities at the Jefferson Drill Site:

Well Name	Permit Issue Date	Type of Work	Work Completion Date	Note
Jefferson 1	9/14/2011	Install inner liner and ESP conversion	1/10/2012	Pump Conversion
Jefferson 2	4/5/2006	Redrill Well and install inner liner	7/24/2006	Sidetrack Job
Jefferson 3	4/14/2008	Install new bridge plug and add perforations	5/23/2008	Installed slotted liner
Jefferson 3	2/8/2008	Add Perforations & Fracture Stimulate	2/14/2008	Hydraulic Fracture Job performed by Halliburton
Jefferson 3	11/7/2007	Re-perforate, acid stimulate, and convert lift system	11/19/2007	Used 2,500 gallons of HCL & HFL acid mix; 1,600 gallons on HCL acid
Jefferson 3	4/30/2007	Redrill Well, Add Perforations, and Hydraulic Fracture	9/7/2007	Frack Packing Completion performed by Schlumberger; 191,000 pounds of 20/40 frac sand
Jefferson 5	7/15/2009	Replace Inner Liner and add perforations	11/4/2009	Cut and replaced liner, added perforations
Jefferson 6	3/12/2008	Casing Repair and replace inner liner	6/5/2008	Added new perforations
Jefferson 6	4/30/2007	Redrill Well and add perforations	8/22/2007	LADBS inspected sound wall; DOGGR Waived BOP

				inspection and cement plug tag
Jefferson 8	2/15/2013	Casing Repair and replace inner liner	7/8/2013	Cement squeeze
Jefferson 8	4/22/2009	Casing Repair	6/17/2009	
Jefferson 11	7/19/2005	Install new inner liner and add perforations	9/13/2005	Add 214' of perforation and gravel pack completion
Jefferson 13	10/11/2013	Repair Casing Leak	4/16/2014	Added new casing, cement squeeze, cemented new casing liner and added 170' of perforations
Jefferson 13	4/4/2011	Recover Tubing, Acid Stimulatution and Reset Packer	2/1/2012	Possible casing collapse, no acid stim, & added corrosion inhibitor chemical to annulus
Jefferson 14	8/3/2006	Redrill Well / Sidetrack & Install slotted liner	8/23/2006	
Jefferson 15	7/19/2005	Rework, Install Slotted Inner Liner & add perforations	7/27/2005	Gravel Pack Completion and added 75" of perforations
Jefferson 16	9/17/2008	Rework, Remove Casing, & Add Perforations	10/30/2008	Fished Parted Liner out and added 36' of perforations
Jefferson 18	5/13/2015	Repair Water Injection Profile & 3 stage acid stimulation	11/17/2015	Used 4,400 gallons of HCL & HFL acid mix; 3,200 gallons on HCL acid
Jefferson 18	5/12/2014	OES & DOGGR Hazardous Waste Spill Notification	5/9/2014	5-6 cars sprayed with oily mist in N.E. side of drill site
Jefferson 18	3/16/2011	Repair Water Injection Profile & selective acid stimulation	9/13/2011	Used 5,000 gallons of HCL & HFL acid mix; 3,400 gallons on HCL acid
Jefferson 18	5/8/2008	Redrill Well / Sidetrack, Add Perforation & Acid Stimulation	9/24/2008	Used 5,400 gallons of HCL & HFL acid mix; 5,400 gallons on HCL acid

Jefferson 18	1/23/2006	Rework, Install Slotted Inner Liner & acid stimulation	1/27/2006	Gravel Pack Completion
Jefferson 19	3/12/2001	Cleanout and Install Inner Liner	3/23/2001	Only Work was in 2001
Jefferson 20	1/22/2004	Cleanout and Install Slotted Inner Liner	9/2/2005	Changed to Gravel Pack Completion
Jefferson 21	5/29/2014	Casing Repair, Add Perforations & 3 stage acid stimulation	10/7/2014	Used 5,200 gallons of HCL & HFL acid mix; 3,500 gallons on HCL acid
Jefferson 21	1/5/2011	Casing Repair, Add Perforations & 3 stage acid stimulation	4/21/2011	Used 2,500 gallons of HCL & HFL acid mix; 2,000 gallons on HCL acid
Jefferson 22	5/14/2014	Repair Casing via Cement Squeeze and Add Perforations	8/29/2014	DOGGR Witnessed Pressure Test
Jefferson 22	1/20/2011	Rework Injection Profile & 3 stage acid stimulation	4/5/2011	Used 4,800 gallons of HCL & HFL acid mix; 3,500 gallons on HCL acid
Jefferson 23	2/23/2011	Fishing and 3 stage acid stimulation	1/4/2012	Used 6,600 gallons of HCL & HFL acid mix; 4,700 gallons on HCL acid
Jefferson 24	4/4/2011	Casing Repair and 3 stage acid stimulation	5/2/2011	Used 2,600 gallons of HCL & HFL acid mix; 2,000 gallons on HCL acid
Jefferson 26	10/29/2007	Replace Injection Packer and acid stimulate	11/8/2007	Used 1,500 gallons of HCL & HFL acid mix; 1,000 gallons on HCL acid
Jefferson 27	7/19/2005	Install inner liner, cement squeeze & acid stimulate	8/29/2005	Used 3,000 gallons of HCL & HFL acid mix; 3,000 gallons on HCL acid
Jefferson 28	4/8/2008	Redrill Well, Add Perforations and Acid Stimulate	10/15/2008	Used 4,400 gallons of HCL & HFL acid mix; 4,400 gallons on HCL acid; Planning Dept CEQA Exemption Form

Jefferson 29	8/24/2006	Redrill Well, Add Perforations and Hydraulic Fracture	9/27/2006	Frack Packing Completion performed by Schlumberger; 95,000 pounds of 20/40 frac sand
Jefferson 30	2/3/2012	Replace inner liner	5/17/2012	Replace plugged liner
Jefferson 30	9/23/2010	Subsurface Pump Conversion and install inner liner	11/5/2010	Pump conversion
Jefferson 32	2/3/2011	Injector Casing Repair and New Packer	6/12/2011	Added Corrosion Inhibitor Chemical to annulus
Jefferson 32	4/29/2008	Convert to Dual String Injection	5/13/2008	Added Corrosion Inhibitor Chemical to annulus
Jefferson 35	1/20/2011	Rework to change injection profile; 3 stage acid stimulation	3/29/2011	Used 2,400 gallons of HCL & HFL acid mix; 1,800 gallons on HCL acid
Jefferson 36	8/19/2016	Add Perforations & Acid Wash Perforations	10/10/2016	Used 4,100 gallons of HCL & HFL acid mix
Jefferson 36	10/23/2009	Repair Casing via Cement Squeeze and Add Perforations	12/15/2009	Used 5,000 Gallons of KCL
Jefferson 36	7/30/2007	Plug back, directional redrill, and add perforations	8/10/2007	Used 5,000 Gallons of KCL

The Los Angeles Municipal Code Section 13.01 (H) states: "Any person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance...shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted." In reviewing the Zoning Administrator (Planning) and LAFD files, there appears to be no records on applications for any of the forty two (42) oil well maintenance and redrilling jobs permitted by CA DOGGR. These may be violations of the Los Angeles Municipal Code.

CA DOGGR records noted a California Governor's Office of Emergency Services (CalOES) Hazardous Waste Spill Notification on May 12, 2014 for an oil spill from the Jefferson 18 oil well that sprayed an oil mist on the northeast side of the drill site onto five (5) to six (6) parked cars.

CA DOGGR has designated the Jefferson drill site as a location known to have measurable quantities Hydrogen Sulfide (H₂S) gas and advises for enhanced safety

precautions. The U.S. Occupational Safety and Health Administration (OSHA) describes H₂S gas as a flammable, colorless gas that is toxic at extremely low concentrations. It is heavier than air, and may accumulate in low-lying areas. It often smells like "rotten eggs" at low concentrations and can cause individuals to quickly lose their sense of smell. OSHA requires all personnel working in an area where concentrations of Hydrogen Sulfide may exceed the 10 Parts Per Million (PPM) should be provided with training before beginning work assignments.

CA DOGGR issued a CA State Violation on June 6, 2006 for the "Jefferson 35" oil well for failure to notify the state in advance of well maintenance rework.

IV. SCAQMD Records Review

The South Coast Air Quality Management District (SCAQMD) regulates federal and state clean air quality standards for all of Orange County and the urban portions of Los Angeles, Riverside and San Bernardino counties. The federal Clean Air Act requires EPA to set National Ambient Air Quality Standards (NAAQS) for maximum allowable concentrations of six (6) "criteria" pollutants in outdoor air. The six criteria pollutants are carbon monoxide, lead, ground-level ozone, nitrogen dioxide, particulate matter, and sulfur dioxide. The standards are set at a level that protects public health with an adequate margin of safety. In addition to criteria pollutants, the Clean Air Act regulates "hazardous air pollutants," i.e., those which can cause cancer or other severe localized health effects due to emissions from a single facility.

In 2004, SCAQMD adopted the Rule 1148.1 for oil and gas production facilities to reduce hydrocarbons emissions, also known as volatile organic compounds (VOCs), from the extraction of oil and natural gas. Air districts in Santa Barbara, San Luis Obispo and Ventura counties have adopted similar air emission rules for oil and gas production facilities. The rule requires that emissions from residual crude oil in well cellars and produced gas released to the atmosphere be inspected, measured, and controlled. In 2013, the rule was updated to include comprehensive notification and reporting requirements to provide information needed to assess air quality and health effects from oil and gas drilling activities. The update establishes notification and chemical reporting requirements for all oil and gas well drilling, reworks, and well completion activities.

According to SCAQMD, drilling means digging or boring into the earth for the purpose of developing, extracting, or product oil, gas, or other hydrocarbons. Rework is any operation subsequent to drilling that involves deepening, redrilling, remediation, or well production stimulation or treatment activity of an existing well. Well completions are post drilling activities and methods used to prepare a well for the production of oil or gas. Completions typically involves preparing the bottom of the hole to a required specification, such as running in the production tubing and its associated downhole tools, as well as perforating and/or stimulating the well.

Under Rule 1148.2 oil and gas operators are required to submit chemical usage inventory data, annual toxic air emissions, and 24 hour notifications prior to well work activities. The facilities are also required to report combustion equipment used during drilling, acidizing, gravel packing, and hydraulic fracturing.

The following provides a summary of the SCAQMD's annual emissions report for each operator at the Jefferson Drill Site over the last twelve years:

Facility ID: 123301

Company Name: Bentley Simonson Inc.

Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

- No 2004 annual criteria pollutant or toxic pollutant emissions records

Facility ID: 144664

Company Name: Plains Exploration and Production Company

Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

2011 - Criteria Pollutant Annual Emissions (Tons per Year)

- Reactive Organic Gases (ROG): 1.347

2011 - Toxic Pollutant Annual Emissions (Pounds per Year)

- Benzene: 18.464

2007 - Criteria Pollutant Annual Emissions (Tons per Year)

- Carbon Monoxide (CO): 0.021
- Nitrogen Oxide (NOX): 0.026
- Reactive Organic Gases (ROG): 0.893
- Total Suspended Particulates: 0.001

2007 - Toxic Pollutant Annual Emissions (Pounds per Year):

- Ammonia: 1.664
- Benzene: 3.888
- Formaldehyde: 0.008

2006 - Criteria Pollutant Annual Emissions (Tons per Year):

- Carbon Monoxide (CO): 0.043
- Nitrogen Oxide (NOX): 0.052
- Reactive Organic Gases (ROG): 0.993
- Total Suspended Particulates: 0.003

2006 - Toxic Pollutant Annual Emissions (Pounds per Year):

- 1,2,4 Trimebenze: 0.042

- Acetaldehyde: 0.004
- Acrolein: 0.002
- Ammonia: 3.328
- Benzene: 4.686
- Ethyl Benzene: 0.994
- Formaldehyde: 0.017
- Hexane: 3.948
- Hydrogen Sulfide: 0.010
- Naphthalene: 0.010
- Toluene: 3.145
- Xylene: 1.026

2005 - Criteria Pollutant Annual Emissions (Tons per Year):

- Carbon Monoxide (CO): 0.043
- Nitrogen Oxide (NOX): 0.052
- Reactive Organic Gases (ROG): 1.466
- Total Suspended Particulates: 0.003

2005 - Toxic Pollutant Annual Emissions (Pounds per Year):

- Ammonia: 3.338
- Benzene: 5.822
- Formaldehyde: 0.017
- Naphthalene: 0.020

Facility ID: 175162

Company Name: Freeport McMoran Oil & Gas

Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

2016 - Criteria Pollutant Annual Emissions (Tons per Year):

- Volatile Organic Compounds (VOC): 0.836

2016 - Toxic Pollutant Annual Emissions (Pounds per Year):

- Benzene: 13.154

Facility ID: 184292

Company Name: Sentinel Peak Resources California, LLC

Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

2017 - Criteria Pollutant Annual Emissions (Tons per Year):

- No records available

2017 - Toxic Pollutant Annual Emissions (Pounds per Year):

- No records available

The most frequently reported criteria pollutants emitting from the site are Reactive Organic Gases (ROG), Carbon Monoxide, Nitrogen Oxide, and Volatile Organic Compounds. The highest measured toxic air emissions by annual pounds are Benzene, Ammonia, Hexane, Toluene, and Xylene. Each of these chemicals are colorless gases. However, most of them have a different and distinct smells. Nitric oxide has a sharp sweet-smelling gas at room temperature, whereas nitrogen dioxide has a strong, harsh odor and is a liquid at room temperature. Ammonia is characterized by pungent sulfur like smell, while Benzene, Hexane, and Toluene can smell similar to a sweet, aromatic, gasoline-like odors or a combinations of paint thinner and solvents.

Diesel Engines are the primary combustion equipment used during drilling, acidizing, gravel packing, and hydraulic fracturing. Both SCAQMD and CA DOGGR records show drilling, acidizing, gravel packing, and hydraulic fracturing occurred at the Jefferson Drill Site. The primary air emissions from these activities are PM10, which is particulate matter 10 micrometers or less in diameter, and PM2.5 which is particulate matter 2.5 micrometers or less in diameter. The odors from these engines are that of partially combusted diesel fuel.

An SCAQMD Notice of Violation (NOV) is issued by an SCAQMD Air Quality Inspector to inform a business that it is out of compliance with applicable SCAQMD rule requirements, permit conditions or legal requirements, or with applicable state or federal air pollution regulations. SCAQMD issued the following notices of violation for the Jefferson Drill Site:

Facility ID: 175162

Company Name: Freeport McMoran Oil & Gas Company
Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

- Violations #P60709 was issued on 9/23/14 for Volatile Organic Compounds (VOC) emissions were greater than 500 ppm at WEMCO.
- Violations #P60710 was issued on 9/23/14 for Volatile Organic Compounds (VOC) emissions were greater than 500 ppm at WEMCO.

Facility ID: 123301

Company Name: Bentley Simonson Inc.
Address: 1371 W. Jefferson Blvd. Los Angeles, CA 9007

- Violations #P43190 issued on 9/26/2003 for failure to maintain equipment in good condition; WEMCO & numerous open ended line & w/o valves or caps; and two leaks greater than 50,000 ppm discovered by District and failure to repair leaks by Avanti within required time period.

There were three (3) SCAQMD air quality notices of violation at the drill site issued since 2003. The violations were for elevated fugitive emissions of volatile organic compounds (VOC) emitting from the WEMCO Water Clarification Unit equipment. VOC's are emitted by a selection of different liquids, gases, and solids. Common examples of VOC's are: benzene, ethylene glycol, formaldehyde, methylene chloride, tetrachloroethylene, toluene, xylene, and 1,3-butadiene. The VOC emissions from oil and gas wells and/or facilities can then mix in the air with other ground level pollutants (such as nitrogen oxide, carbon monoxide, sulfur dioxide, etc.) and the energy from the sun acts upon this mixture to form photochemical smog. The VOCs are also one of the key ingredients that contribute to ozone formation. VOC's can be a source of odors which can smell like paint, cleaning products, new car interiors or bleach. This type of air emissions can be reduced by source control, vapor recovery, and/or ventilation systems.

V. Recommendations

The original zoning conditions for this Drill Site were set in 1965. Since that time there has been significant changes and modern enhancements to the petroleum industry's safety requirements, computer processing ability, data management practices, facilities equipment, drilling technology, well maintenance services and general operating practices. The following are potential enhanced health and safety operating conditions that the Department of Planning may consider as new conditions for this Drill Site:

1. Permanent Enclosed Structure

There are several other Drill Sites in the City of Los Angeles that have permanent site enclosures. The two closest enclosed sites are the West Pico and Packard Drill Sites in West Los Angeles. Enclosing the Jefferson Drill Site will help to reduce or eliminate noise, light, and odor pollution. The two other structures were architecturally designed to be aesthetically pleasing and match the surrounding neighborhoods. Any future enclosures will need to be of sufficient height to mask any workover, maintenance or drilling rigs, while also meeting several local and state agency safety requirements, including the Los Angeles Building and Safety and Los Angeles City Fire Departments.

2. Fenceline and Community Air Monitoring System

A continuous fence line air monitoring system and public reporting system of targeted toxic air pollutants levels at the site can be used to identify leaks, unintended or accidental releases, controlling fugitive emissions, and alerting the community of any hazardous emission levels to take the appropriate safety precautions. Any future system should utilize current and cost effective technology, while meeting the South Coast Air Quality Management District's current and future rules. The fenceline and community air monitoring system for the sampling of emissions at the periphery of the facility, should be consisting of an analyzer station, sampling system (containing no less than four sampling inlet points at

locations to be agreed upon by the Parties), and meteorological station. The monitoring program shall continuously monitor and sample the air in real time for methane, non-methane hydrocarbons, and hydrogen sulfide, and collect and evaluate species of non-methane hydrocarbons (including benzene) on a 12-day cycle. This fence line monitoring program should be run by a third party and shall apply to any successor lessor or operator of the Facility. Reporting of samples can be done on a quarterly or semiannual basis. An annual site specific air monitoring plan should be included to provide a description of equipment to monitor, record, and public reporting of air pollutant levels; description of equipment siting, operation and maintenance of equipment; and procedures for implementing data quality assurance and control. The air monitoring plan should ensure the air monitoring data is accessible to the public in a readily access and understandable method.

3. Continuous Noise, Vibration, and Video Monitoring

A standard practice to address noise and vibrations concerns is the installation of a continuous acoustic and vibration detection monitoring system. An onsite system can be designed to continuously record and report audible sounds and vibrations. Additional, noise analysis, noise mitigation design, and third party reporting can be integrated with a video motioning component. Public reporting on a frequent basis to all interested parties, will help to confirm when incidents occur and at what measurable levels operation activities are happening on a real time basis.

4. Enhanced Vapor Recovery System

Vapor recovery systems are used in the chemical processing industry to recover environmentally hazardous, volatile organic compounds, toxic air pollutants, or other odor emissions, so that they do not escape into the atmosphere. An enhanced vapor recovery system refers to the new generation of available equipment, which meets stricter standards and control emissions. The Office of the State Fire Marshal, California Air Resource Board, South Coast Air Quality Management District are responsible for maintaining minimum standards for the prevention of fire and/or explosion caused by unsafe vapor recovery systems or components. Any enhanced vapor recovery system for the site, or at the top of an open roofed permanent enclosure, should meet the current and any future standards set by these state and regional agencies, along with our local public safety professionals. Vapor recovery recordings or reports shall be submitted to the Zoning Administrator, Petroleum Administrator, State Fire Marshal, California Air Resource Board, and South Coast Air Quality Management District as required per industry rules and regulations.

5. Petroleum Administrator Compliance and Monitoring

The City of Los Angeles recently restored the Petroleum Administrator to a full time position and created the Office of Petroleum and Natural Gas Administration and Safety. The Petroleum Administrator is a city wide resource that is available

to provide technical advice, ongoing monitoring of conditions, regulatory compliance assessments, and enhanced oversight of operations at the site through annual reporting.

Disclaimer: If the scope of this request had been broader or additional items requested for evaluation, then the findings may have been different. There may also be additional records of the operations at this site that were not accessible for consideration in this report.

Should you have any questions about this report, please contact me at Uduak.Ntuk@lacity.org or via phone at (213) 978-1697.

cc: Kevin James, Board of Public Works President
Fernando Campos, Board of Public Works, Executive Officer
Lisa Webber, Deputy Planning Director
Charlie Rauch, Chief Zoning Administrator

