



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IX

75 Hawthorne Street
San Francisco, CA 94105-3901

January 25, 2017

Ken Harris
State Oil and Gas Supervisor
Division of Oil, Gas, and Geothermal Resources
801 K Street
Sacramento, CA 95814-3530

Jonathan Bishop
Chief Deputy Director
California State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

Dear Mr. Harris and Mr. Bishop:

I appreciate your joint letter of January 17, 2017 to update the EPA on the State's progress to ensure that injection related to oil and gas production is not impacting underground sources of drinking protected under the Safe Drinking Water Act (SDWA). Mr. Bishop's letter of December 29, 2016 also provided important information about the status and results of the State's comprehensive evaluation of drinking water wells located near improperly permitted injection wells.

The State has made a great deal of progress evaluating the status of Class II injection wells in California, shutting-in wells where appropriate, and pursuing exemptions for aquifers that the State has concluded meet state and federal exemption criteria. Of the four aquifer exemption proposals submitted to date, we expect to make determinations on three in the coming weeks, prior to the State's February 2017 deadline.

We generally concur with the approach outlined in your recent letter. For aquifer exemption proposals where the State does not expect to complete preliminary concurrence by the February 2017 deadline, but has determined that the proposal likely meets state and federal exemption criteria, we request that the State provide more details of their current analysis. Specifically, we would like to understand for each of these proposals which federal exemption criteria the State expects will be met, the basis for these expectations, and the anticipated timeline for the State's review and concurrence. We will plan on discussing these details at a joint meeting of the EPA, DOGGR, and the State Board prior to the February 2017 deadline.

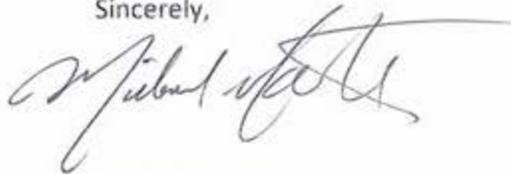
Your joint letter explained that some of the pending aquifer exemptions under review by the State may only receive partial concurrence. It is our understanding that once the State makes a determination on an aquifer exemption package, the State intends to shut in wells injecting into the aquifers or portions of

aquifers included in that package that do not receive concurrence. We request that the State provide details regarding which portions of the proposals will receive concurrence and which will not.

Finally, we understand the State has further refined the analysis of wells injecting into non-exempt aquifers and there is a substantial decrease in the number of injection wells of concern. As a part of the upcoming timeline and status report on pending aquifer exemptions, we request more details on the State's enhanced analysis of the non-complaint wells identified in the initial screening.

We are aware of the challenges experienced by the State to evaluate and submit all the aquifer exemption proposals by the February 15, 2017 deadline. We commend your diligent efforts to date and we look forward to continued cooperation between our agencies on these important matters. Please do not hesitate to contact me if you have any questions or wish to further discuss these issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Montgomery". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Michael Montgomery
Assistant Director, Water Division