



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105-3901

May 1, 2020

Sent via email only

Uduak-Joe Ntuk
State Oil and Gas Supervisor
Cal GEM Headquarters
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. Ntuk and Mr. Bishop:

I appreciate your joint letter of March 23, 2020 updating the Environmental Protection Agency, Region 9 (EPA) on the State of California's progress to ensure that injection related to oil and gas production is not impacting underground sources of drinking water (USDWs), which are protected under the Safe Drinking Water Act (SDWA). To date, 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.

As noted in your letter, the EPA approved twenty aquifer exemption (AE) requests submitted by the state between 2017 and 2019. We are currently reviewing one submittal and there are nine additional AE proposals that are advancing within the state's process and expected to be submitted to the EPA.

While we had expected that all the AEs in areas with existing Class II injection would be completed by this time, we understand the challenges that have resulted in an extended timeline. Further, we agreed to grant this additional time for the state to process AE proposals where the state had determined there was a likely path to compliance (i.e., a presumption that the proposal would meet state and federal exemption criteria). Although we continue to concur with this approach, we also want to highlight the critical importance of processing the remaining nine AE proposals as expeditiously as possible. As your letter notes, there are still five proposals (for the Kern River, Lompoc, Oxnard, Midway-Sunset, and Mt. Poso fields) which have not received preliminary concurrence from the state – a key early indicator of the merit of an AE proposal. For these five, the EPA requests a more specific timeline when each of the proposals is projected to reach this important milestone. For efficiency, these projected dates can be incorporated into the AE status update table, typically provided during our monthly UIC meetings.

In addition, your letter addressed three fields (Lynch Canyon, South Belridge, and Elk Hills) where the state determined that AE proposals did not meet the necessary criteria for exemption. Based on the

discussion at our most recent monthly meeting, the state has approved a transition plan for operators in the South Belridge field, is nearing approval of such a plan for operators in the Elk Hills field, and continues to negotiate an appropriate plan for operators in the Lynch Canyon field. EPA appreciates your commitment to establishing and overseeing timely implementation of these plans and looks forward to receiving copies of the approved plans. Periodic updates on the implementation of these transition plans can be provided as warranted during our monthly meetings.

We commend your diligent efforts to date, and we look forward to continued cooperation between our agencies on these important matters with the shared goal to protect USDWs. Our regular monthly meetings are an excellent forum to continue coordination on the state's aquifer exemption efforts and provide timely opportunities to discuss progress on other key initiatives related to the state's Class II program compliance (e.g., project-by-project reviews and ongoing development of the WellSTAR data system).

Please do not hesitate to contact me at 415.972.3971 or albright.david@epa.gov if you have any questions or wish to further discuss these issues.

Sincerely,

"/s/" [5/1/2020]

David Albright
Manager, Ground Water Protection Section