NOTICE TO OPERATORS

2023-02

February 2, 2023

NOTICE OF APPELLATE ORDER REGARDING KERN COUNTY CODE CHAPTER 19.98; GUIDANCE FOR CEQA COMPLIANCE FOR PROPOSED OPERATIONS IN KERN COUNTY

On January 26, 2023, the Court of Appeal for the Fifth District suspended operation of Kern County's Oil and Gas Ordinance, Kern County Code Chapter 19.98 (Ordinance), pending further order of the Court of Appeal. As a result, the California Geologic Energy Management Division's (CalGEM) processes to carry out its responsibilities under the California Environmental Quality Act (CEQA) in reviewing pending and future notices of intention (NOIs) or applications for oil and gas activities in unincorporated Kern County have changed. Until further notice, CalGEM will be the CEQA lead agency for all such reviews, as discussed further below.

Background:

On October 22, 2021, the court in *Vaquero Energy Inc. v. County of Kern*, Kern County Superior Court Nos. BCV-15-101645-GP (consolidated with 10053-GP, and 100536-GP), ordered Kern County to suspend operations under the Ordinance, and ordered Kern County to cease reviewing and approving oil and gas permits under the Ordinance unless and until the court determines that the Ordinance complies with CEQA requirements. This resulted in CalGEM becoming the CEQA lead agency for reviewing oil and gas applications.

On November 2, 2022, the Superior Court issued a new order lifting the previously ordered suspension of the operation of the Ordinance. Accordingly, Kern County resumed permitting of oil and gas operations as the CEQA lead agency in unincorporated Kern County. CalGEM resumed acting as a responsible agency under CEQA.

In response to the January 26, 2023 court order, this Notice is to inform operators of the following:

1. Operators who submitted an NOI or application associated with a well within the jurisdiction of Kern County, with a job card issued by Kern County and recognizing CalGEM as the responsible agency, and for which a permit to conduct well operations has not been received, will have their NOIs returned in the WellSTAR system, starting February 2, 2023. Operators should resubmit their NOIs or applications designating CalGEM as the lead agency and with revised information to support CalGEM's review. When revising the information in

WellSTAR, follow the guidance documents listed under CEQA Guidance for Operators, located on the California Department of Conservation's California Environmental Quality Act webpage:

https://www.conservation.ca.gov/calgem/CEQA. Failure to submit accurate and complete information, or follow direction or guidance from CalGEM staff, will delay the review process and potential permit issuance.

2. Projects will be processed in the order received as first in, first out. CalGEM will consider reprioritizing projects that are necessary to prevent damage to life, health, property, and natural resources, and to protect public health, safety, and environmental quality.

If you have any questions or concerns regarding compliance with this notice, please contact CalGEM Headquarters at (916) 445-9686 for referral to the CEQA Program or CEQA@conservation.ca.gov.

Gabe Tiffany

Acting State Oil and Gas Supervisor