NOTICE TO OPERATORS 2025-09

November 3, 2025

GUIDANCE FOR OIL AND GAS OPERATIONS

AFFECTED BY THE ENACTMENT OF SENATE BILL 237

This Notice to Operators provides guidance regarding the compliance process for pending and future Notices of Intention (NOIs) in unincorporated Kern County covered by Kern County Zoning Ordinance Code - 2025. This notice reflects the Kern County Board of Supervisors' adoption of a revised oil and gas permitting ordinance (Revisions to Title 19 - Kern County Zoning Ordinance Code 2025 (A)), its certification of a Second Supplemental Recirculated Environmental Impact Report (SSREIR), and the recent enactment of Senate Bill 237 (Grayson, Chapter 118, Statutes of 2025) (SB 237).

Background

Litigation over the past several years has resulted in multiple court orders affecting the legal status of Kern County's oil and gas permitting ordinance. During periods when the ordinance was suspended by court order, the California Geologic Energy Management Division (CalGEM) acted as the CEQA lead agency for proposed oil and gas projects in unincorporated Kern County.

Kern County has since adopted a revised oil and gas permitting ordinance and certified the SSREIR (SCH #2013081079) to address the issues identified in prior court rulings. Subsequently, the California Legislature passed, and the Governor signed, SB 237, which will take effect on January 1, 2026. Once effective, SB 237 will deem the Kern County SSREIR and revised ordinance sufficient for full compliance with CEQA for the permitting of oil and gas production operations in Kern County within the scope of the SSREIR, with specific exceptions noted below.

Interim CEQA Procedures (Effective Immediately until January 1, 2026)

Until SB 237 takes effect, the guidance provided in NTO 2023-06 remains in force. The Kern County Ordinance is considered suspended by court order. Therefore, CalGEM will continue to act as the CEQA lead agency for all proposed oil and gas operations in unincorporated Kern County. Operators must continue to submit NOIs and applications designating CalGEM as the lead agency until January 1, 2026. Some projects currently designating CalGEM as lead agency will transition to Kern County as lead agency beginning January 1, 2026. Clarification regarding which projects will transition January

1. 2026 to Kern County as lead agency will be provided directly to Operators of submitted projects.

CEQA Guidance for Operators (Effective January 1, 2026)

Beginning January 1, 2026, once SB 237 is in effect, Kern County will act as the CEQA lead agency for oil and gas projects within its jurisdiction that are covered by its ordinance and SSREIR. CalGEM will act as a responsible agency under CEQA for these projects.

Operators seeking approval for projects that are within the boundaries of the Kern County SSREIR must adhere to the following procedures starting on January 1, 2026:

- New and Resubmitted Applications: All new NOIs and project applications submitted to CalGEM for operations in unincorporated Kern County must include a valid permit ("job card") issued by Kern County under its revised 2025 ordinance.
 - In the WellSTAR CEQA Information step, operators must answer "Yes" to the question, "Did the Local Agency prepare an environmental document for the project?"
 - Select "Kern County" as the lead agency.
 - Enter EIR SCH2013081079 (Second Supplemental Recirculated EIR March 2025).
 - Upload the valid Kern County job card or extension letter issued under Title 19 – 2025 (A).
 - o Upload the mitigation measures provided with the Kern County job card.
- 2. **Health Protection Zones:** The Kern County SSREIR explicitly does not cover operations located within any Health Protection Zone, as defined in Public Resources Code section 3280, and SB 237 is express that CalGEM shall be lead agency under CEQA for any project that includes an NOI in such an area. (See Pub. Resources Code, § 21080.81, subd. (g).)
 - For any proposed project located within these areas CalGEM will remain the CEQA lead agency. Operators must submit applications for these projects designating CalGEM as the lead agency.
- 3. Pending Applications: Any NOIs within the Kern SSREIR boundaries that are pending with CalGEM as the lead agency on January 1, 2026, will be returned to the operator via the WellSTAR system. These projects must be resubmitted to CalGEM following the procedure outlined in section 1 of this notice, including a new job card issued by Kern County under its revised ordinance. Additionally, conditional approvals under Public Resources Code section 21167.3(a) will no longer be accepted. Do not request or expect conditional permits once SB 237 is in effect.

Application Reviews: NOIs to drill will be reviewed by CalGEM on a first-come, first-served basis. However, pursuant to Public Resources Code sections 3011 and 3106, CalGEM may prioritize processing applications that are either necessary to prevent damage to life, health, property, and natural resources, or are for wells that may have a greater relative impact on helping to address the energy needs of the State.

Operators are encouraged to ensure all submissions are complete and accurate to avoid processing delays.

Annual Permit Limit Guidance for Operators (Effective January 1, 2026): Pursuant to SB 237, beginning in calendar year 2026, CalGEM shall not approve more than 2,000 NOIs for the drilling of new wells per calendar year in reliance on the Kern County SSREIR as a responsible agency, unless the State Energy Resources Conservation and Development Commission makes a formal finding as specified in SB 237. This cap does not apply to other well work, such as reworks.

Tribal Engagement and Consultation: SB 237 deems the SSREIR to be in compliance with CEQA, including tribal consultation conducted by Kern County for the SSREIR. CalGEM respects tribal sovereignty and recognizes the importance of meaningful tribal engagement with California Native American tribes in efforts of protecting tribal cultural resources. While further AB 52 consultation will not occur for projects deemed CEQA-complete under SB 237, the Department of Conservation and CalGEM are in the process of engaging with tribes to discuss the legislative change, its implementation, and opportunities for continued communication and collaboration.

If you have questions regarding compliance with the CEQA portion of this notice, please contact the CalGEM CEQA Program at CEQA@conservation.ca.gov or call CalGEM Headquarters at (916) 445-9686 for a referral. If you have technical questions about permitting within the Kern SSREIR, please contact the Central District at CalGEMCentral@conservation.ca.gov.

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