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# SOUTH LOS ANGELES AREA PLANNING COMMISSION

200 North Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300

## LETTER OF DETERMINATION

[www.planning.lacity.org](http://www.planning.lacity.org)

MAILING DATE: **JAN 31 2023**

Case No. **ZA-1959-15227-O-PA6-1A**

Council District: 10 Hutt

CEQA: ENV-2021-7445-CE

Plan Area: South Los Angeles

**Project Site:** 2126 West Adams Boulevard and 2125 West 26th Place

**Applicant:** E&B Natural Resources Management Corporation

**Appellants:** E&B Natural Resources Management Corporation  
Representatives: Nicki Carlsen, Alston & Bird LLP

At its meeting of **October 17, 2023**, the South Los Angeles Area Planning Commission took the actions below in conjunction with the following project:

Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24 M.

1. **Determined** based on the whole of the administrative record, that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15301 (Class 1), Section 15303 (Class 3), Section 15305 (Class 5), Section 15308 (Class 8), and Section 15321 (Class 21), and there is no substantial evidence demonstrating that any exceptions contained in Section 15300.2 of the CEQA Guidelines regarding location, cumulative impacts, significant effects or unusual circumstances, scenic highways, or hazardous waste sites, or historical resources applies;
2. **Denied** the appeal in part **and granted** the appeal in part, and **sustained** the Zoning Administrator's determination dated February 28, 2023;
3. **Determined**, pursuant to Los Angeles Municipal Code (LAMC) Section 12.24 M, Condition No. 14 in Case No. ZA-1959-15227(O)(PA4), and LAMC Section 13.01 E,2(i) that, based on the whole of the administrative record, additional and modified conditions are required for the continued operation of the existing Murphy Oil Drill Site to increase the protection of and to preserve the health, safety and general welfare of the residents and stakeholders of the neighborhood. The additional conditions are also necessary to afford greater protection to surrounding property and to address the nuisance conditions which were demonstrated by substantial evidence;
4. **Adopted** the Modified Conditions of Approval; and
5. **Adopted** the Amended Findings.

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|      |       |
|------|-------|
| NAME | MR    |
| RES  | RES   |
| AGE  | 100   |
| SEX  | M     |
| HT   | 5'10" |
| WT   | 175   |
| HAIR | B     |

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Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

**Effective Date/Appeals:** The decision of the South Los Angeles Area Planning Commission is final and effective upon the mailing of this determination letter and not further appealable.

Notice: An appeal of the CEQA clearance for the Project pursuant to Public Resources Code Section 21151(c) is only available if the Determination of the non-elected decision-making body (e.g., ZA, AA, APC, CPC) is not further appealable and the decision is final.

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.

Attachments: Modified Conditions of Approval, Amended Findings, Appeal Filing Procedures (CEQA)

cc: Charles J. Rausch, Associate Zoning Administrator  
Edber Macedo, City Planning Associate

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## **CONDITIONS OF APPROVAL**

(As modified by the South Los Angeles Area Planning Commission on October 17, 2023)

1. Prior to any clearance on a building permit per Condition No. 23, a revised plot plan shall be provided showing the current production equipment locations on-site. Said plot plan shall provide a detailed description and inventory of production equipment, such as tanks, vessels, compressors, scrubbers, separators, micro-turbines, etc.
2. All terms and conditions specified under extant ZA Case No. 15227, dated April 5, 1961, shall be strictly complied with, except as modified/clarified as follows:
3. All the conditions set forth in Section 13.01-E, 2 as well as Condition Nos. 3, 4, 5, 8, 9, 17, 18, 19, 22, 23, 33, 37, 40, 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.
4. Landscaping of the site shall be maintained as follows:
  - a. With respect to that portion of the drill site south of the cement block wall and facing 27th Avenue, the applicant shall: (1) remove the invasive/noxious plants; (2) plant and/or maintain 3 to 4 trees (of 24-inch box size) as infill trees along the south facing facility wall; (3) plant and/or maintain Ficus or climbing ivy, or similar plant-life (grown to 5 gallon size containers) along the South facing facility wall; (4) spread and/or maintain wildflower/grass mix in the open areas of south parcel (approx. 3/4 ac.); (5) install and/or maintain drip irrigation systems on the new plantings along south facing facility wall; (6) provide for temporary watering of the grasses and place sprinklers on timers to insure proper maintenance of the grassy area; (7) install and/or maintain new or improved cyclone fencing along 27th Avenue; (8) improve the appearance of the east fence by painting it; (9) install and/or maintain meandering dry creek bed hardscape on the south parcel, utilizing recycled broken concrete foundations from Drill Site facilities (final placement, configuration and length dependent on

pipeline easement and other site facility considerations); (10) work with 10th Council District office (or its successor office) and Archdiocese to allow future public access.

- b. With respect to that portion of the drill site east of the cement block wall and fronting on Adams Boulevard, the applicant shall: (1) install and/or maintain new/improved cyclone fencing along Adams, including raising the east facing step wall which is only 2-3 feet high; (2) upon receipt of the adjacent property owners' approval, install and/or maintain 2-foot high wrought iron fencing (or equivalent) on top of existing block wall (approximately 300 feet); (3) remove graffiti on east wall; (4) improve and/or maintain wall on west side of the parcel by painting and installing new cyclone inserts; (5) level and place gravel surface down approximately half the depth of the lot and place barriers to protect the remaining portion of the lot; obtain permits for use as a temporary parking lot; (6) install and/or maintain parking lot lighting; (7) plant and/or maintain ficus/climbing ivy, or similar along east and west walls to enhance its appearance (using 5 gallon size container plantings); (8) install and/or maintain drip irrigation on new plantings; (9) install and/or maintain sprinkler timers.

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- c. A yearly review of the landscaping shall be conducted by the applicant with the Council District Office and the United Neighborhoods Neighborhood Council.
5. That driveway access for ingress and egress to the drilling site shall be provided through the existing driveways fronting on Adams Boulevard. Furthermore, that the existing parking area on the enclosed drilling site area for use by vehicles employed in drilling and maintaining of oil wells on the property and for parking of automobiles of employees engaged in the drilling and production activities shall be augmented by additional parking on the area on the East of the drill site, outside of the enclosed area, which area shall be leveled and covered with a gravel surface to approximately one-half the depth of the lot for use as additional parking for employees. Parking on the east side of the drill-site, outside of the enclosed area, shall not be used for heavy trucking operations or staging or storage of any. 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. There shall be no access to the site from 27th Street except for maintenance of the landscaped area fronting on 27th Street and south of the wall separating the landscaped area from the production site. Additionally, there shall be no parking of any vehicles by workers or equipment servicing the site on 27th Street. Except for access by SoCalGas Company to service or operate its equipment, any access for the maintenance of any infrastructure for the production site.
  6. As further amplification of Condition No. 49 of 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 on Sundays. While actual drilling operations are being conducted between the hours of 7:00 p.m. and 7:00 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 shields/material, that all audible backup alarms shall be disabled and replaced with a spotter for safety purposes; operation of the cellar pump shall cease; the applicant's employees and contractors shall be prohibited from yelling, and the 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). The applicant shall conduct on-site meetings to inform all personnel of quiet mode operations.

In case of an emergency, all restrictions on the hours of operations shall be suspended for as long as is necessary to resolve the emergency situation, and for no longer.

Notwithstanding the foregoing, during the period necessary to set up and move the drilling or

workover rig off the premises, and to conduct drilling or re-drilling operations as herein authorized, heavy ("permitted" oversized/overweight load) truck deliveries shall be permitted from 7:00 a.m. to 9:30 p.m., on week-days and none during week-ends and holidays. Deliveries shall be made by approaching the facility off of Adams Boulevard exclusively. Delivery trucks are to be staged off

site so as to reduce the time that trucks need to wait to enter the facility. 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 parked within the facility is scheduled to leave the facility within 15 minutes. The maximum number

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of heavy truck deliveries allowed for moving the drilling rig on and off the premises 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 "permitted" truck deliveries per day (week-days only, none on week-ends and holidays) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-days only) shall be limited to a maximum of ten. The number of "non-permitted" truck deliveries per day (week-ends and holidays only) shall be limited to a maximum of five.

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 truck traffic will commence related to moving the rig in for the drilling or re-drilling of wells.

The operator shall also provide a landing page on a publicly available website where interested parties can sign up for email alerts as a supplemental effort for notification purposes. The operator shall provide the web address for the publicly accessible website within six (6) calendar months of the final determination of Case No. ZA-1959-15227-O-PA6. This information shall be posted on the website in the following languages that are the threshold languages, which are subject to change at any time, for a 1,500-foot radius of the Murphy Drill Site in Los Angeles County: English, Spanish, Korean, Simplified and Traditional Chinese, Arabic, Russian, Vietnamese, Tagalog.

7. Until a permanent structure, set at a minimum of 30 feet in height to a maximum of 45 feet in height, is built enclosing the production area on four sides, in accordance with Condition No. 23, and, afterward for any portion of a workover, maintenance or drilling rig which exceeds 45 feet in height, the applicant shall install the following sound mitigation systems and implement administrative noise controls as follows:

a) Erect a 30-foot high blanket sound wall on the west, south and east side of the any workover, maintenance or drilling rig at the Murphy drilling site (west, south and east side property line), with the layout and wall lengths determined after the drilling, workover or maintenance rig and equipment positioning has been established. Install the sound wall as close as possible to the drilling, workover or maintenance rig and associated equipment with no gaps or openings in the walls. The sound wall 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. 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 Office of Zoning Administration 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.

b) [Condition 7.b was deleted in Case No. ZA-1959-15227-O-PA4]

c) To reduce sound from the drilling, workover or maintenance rig's sub-structure, acoustical blankets shall be hung from the exterior of the rig floor down to the ground, covering the open area of the rig sub-structure on the side of the rig facing the west property line until the

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completion of the minimum of 30 feet and maximum of 45 feet in height enclosure that shall be open to the sky.

d) The stabbing platform on the rig's derrick shall be enclosed with STC-25 rated acoustical blankets.

e) To mitigate the drilling, workover or maintenance rig draw works and brake noise level, sound damping acoustical material shall be installed and maintained during drilling activities.

f) 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.

g) Install vibration isolation pads on shaker units and provide low frequency designed sound absorption and barring panels adjacent to the shaker units.

h) Implement Drill Site "quiet mode" operation procedures including limitation of material delivery schedules and other sound mitigation requirements.

i) To ensure adequate 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, workover or maintenance activity to ensure adequate 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 shall be considered during all drilling, workover or maintenance activity. The operator shall make known through website communication the results of such measurement and monitoring.

8. [Condition deleted in ZA-1959-15227-O-PA6]

9. All drilling, workover or maintenance rigs and equipment shall be removed from the premises immediately after drilling is completed, sump holes filled and derricks removed within sixty days after the completion of the work.

10. All oil drilling, production and maintenance operations shall be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration and noxious odors and shall be in accordance with the best accepted practices incident to drilling for and production of oil, gas, and other hydrocarbon substances. Proven technological improvements in drilling, production and maintenance methods shall be adopted as they may become available, from time to time, if capable of reducing factors of nuisance and annoyance.

11. The operator shall permanently post at all of the site's entry gates (including those facing West Adams Boulevard and West 27th Street), the direct telephone number to the supervisor of the site at that time for residents to call and report any ongoing problem or odors. A call log shall be

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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 Office of Zoning Administration. Signage shall include instructions to call 911, the SCAQMD or the operator's hotline number in case of noxious odors caused by the operation. Signage shall also include the company's publicly available website where more information about activities are made available. Signage shall be translated and posted in the following languages that are the threshold languages, which are subject to change at any time, for a 1,500-foot radius of the Murphy Drill Site in Los Angeles County: English, Spanish, Korean, Simplified and Traditional Chinese, Arabic, Russian, Vietnamese, Tagalog.

12. The applicant shall conduct daily inspections of the premises, including the exterior of the concrete block wall and the open areas on the east side of the premises and the south side, facing 27th Street. All trash and debris shall be removed from the site daily.
13. All graffiti on the site shall be removed or painted over to match the color of the surface to which it is applied within 24 hours of its occurrence.
14. The authorized use shall be conducted at all times with due regard for the character of the surrounding district, and the right is reserved to the Zoning Administrator to impose additional corrective conditions, if, in the opinion of the Zoning Administrator, such conditions are proven necessary for the protection of persons in the neighborhood or occupants of adjacent property.
15. 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. Any new exterior lighting at the project site shall be located below the top of the surrounding containment structure and property line walls and shall be directed onto the site. Except as directed otherwise by the Office of Zoning Administration or other public agency, no lights shall be located on the enclosure structure above the height of the surrounding exterior and property line walls. These lights shall be placed and designed to minimize their impact on neighboring properties.
16. At any time during the period of validity of this grant, should documented evidence be submitted showing continued violation of any condition of this grant, resulting in an unreasonable level of disruption or interference with the peaceful enjoyment of the adjoining and neighboring properties, the Zoning Administrator reserves the right to require the applicant to review the applicant's compliance with and the effectiveness of these conditions.
17. As further required by Section 13.01-H and I or Section 12.23-C,4 of the Municipal Code, no maintenance shall be performed unless a determination has been made by the Zoning Administrator.
18. An Annual On-site Safety Inspection Report shall be performed by the applicant/operator and sent to the Petroleum Administrator and the Office of Zoning Administration, listing the inventory of equipment on site, any repair work, and / or maintenance done to keep the equipment in good operating condition at all times and any safety protocols of the responsible State, regional and City

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agencies. The first Annual Safety Inspection report shall be submitted within 45 days of the effective date of this action.

All Annual Reports shall include a technology assessment report. The assessment report shall be collaboratively generated by the operator with input from environmental and



petroleum engineering consultants and community stakeholders to identify better operating technologies, such as electric workover rigs.

19. 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, as feasible, 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. Monthly reports shall also be submitted to the Office of Zoning Administration via e-mail to [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org). The fence line air monitoring system shall be designed to the satisfaction of the Petroleum Administrator and submitted to the Department of City Planning for inclusion in the case file prior to the upgrade of the existing fenceline monitoring system. The monitoring equipment shall continuously measure reactive organic compounds, hydrogen sulfide, and sulfur dioxide at the facility fence line.
20. The applicant shall immediately notify the Los Angeles Fire Department, the Petroleum Administrator, the Office of Zoning Administration, the Department of Building and Safety and the local City Council office of an emergency, any incident, and/or spill that requires reporting to any State, County, or regional agency. In addition, the operator shall notify the Office of Zoning Administration's Oil Drilling Unit via email to [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org) within 24 hours whenever there is an emergency event that includes, but is not limited to: 911 calls for emergency services or CalOES hazardous event notifications. Operator staff can email [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org) for notifications.
21. The applicant shall create a landing page for the public on the company website with information on monthly reporting on noise and emission levels at the drill site, current and planned operations, emergency contact information, emergency reporting instructions, and, as feasible, real time fence line air monitoring data. The operator shall have this website completed and in operation within six calendar months of the effective date of this action and provide the website address information to [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org) to be included in the administrative record. This information shall be posted on the website in the following languages that are the threshold languages, which are subject to change at any time, for a 1,500-foot radius of the Murphy Drill Site in Los Angeles County: English, Spanish, Korean, Simplified and Traditional Chinese, Arabic, Russian, Vietnamese, Tagalog.
22. The operator shall use the landing page on their website in order to notify the public when permitted and approved drilling, re-drilling, deepening, plugging and abandonment and well maintenance activities will commence for any well(s) at the drill site. Notification shall be provided at least one calendar week prior to the anticipated start date of the project. This information shall be posted in languages that are the threshold languages for Los Angeles County, which are subject to change at any time. The following threshold languages found within a 1,500-foot radius of the Murphy Drill

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Site are the following: English, Spanish, Korean, Chinese (Simplified and Traditional), Arabic, Russian, Vietnamese, and Tagalog.

23. Within 24 months of the effective date of this Case No. ZA-1959-15227-O-PA6-1A determination, completion of all required work shall be verified during the final inspection of the building permit and the building permit shall be finalized for a structure to be a minimum of 30 feet in height to a maximum of 45 feet in height that will enclose the oil production area of the site on all four sides. The structure shall be open to the sky with no roof. No oil, gas or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is enclosed within the up to 45-foot in height structure. Plans for said enclosure need to be submitted to the Department of Building and Safety for all necessary reviews,

including reviews by other departments, agencies, as appropriate, and building permits secured prior to any construction. This structure, for the oil production area, shall be of a permanent type, of attractive design and constructed in a manner that will minimize, as far as practicable, dust, noise, noxious odors and vibrations or other conditions which are offensive to the senses, and shall be equipped with such devices as are necessary to minimize the objectionable features mentioned above. The architectural treatment of the exterior of such structure shall be subject to issuance of a Certificate of Compatibility with the approval of the Director of Planning, or their designee, after a maximum of two hearings by the Jefferson Park Historic Preservation Overlay Zone's Historic Preservation Board (Jefferson Park HPOZ Board).

If causes beyond the reasonable control of the operator, including, but not limited to, permitting delays, litigation, and administrative proceedings against the determination, the operator shall submit in writing a request to the Zoning Administrator with evidence of their good faith effort to complete the required work within a 24-month timeframe. It is at the Zoning Administrator's discretion to allow any extensions beyond 24 months. See Exhibit B

for the area that shall be enclosed on all four sides. This area includes, but is not limited to: the well cellar, storage tanks, slop tank, compressors, and the microturbines.

a) Tanks and other equipment and buildings used in extraction and production activities shall be maintained on the site in such a manner that no portion of the tanks, equipment or buildings other than the upper portion of the rig shall extend above the height of the up to 45-foot permanent enclosure. In addition, no portions of the draw-works house, drilling equipment buildings, temporary mud and water storage tanks and future portable drilling mast used for servicing activities shall extend above the height of the up to 45-foot permanent enclosure.

b) In addition, the workover, maintenance or drilling rigs that measure up to a height of 45 feet and the micro-turbines shall be within the up to 45-foot in height structure.

c) An enhanced vapor recovery system shall be attached to equipment such as the stock tanks, clarifiers, and other aboveground storage tanks in the oil production area. The vapor recovery recordings or report shall be submitted to the Office of Zoning Administration (via email to [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org)), the Petroleum Administrator, the State Fire Marshal, the California State Resources Board and the South Coast Air Quality Management District as required pursuant to city, county, state, and federal rules and regulations.

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d) It is the applicant's responsibility to act in a timely manner to submit a building permit application and comply with all rules and requirements in order to secure and final the building permit for the up to 45-foot in height structure. It is also the applicant's responsibility to act in a timely manner to apply for and obtain a Certificate of Compatibility from the Jefferson Park HPOZ Board.

24. A Spill Prevention, Control and Countermeasure (SPCC) Plan shall be submitted via email to [planning.oildrilling@lacity.org](mailto:planning.oildrilling@lacity.org), annually. If any amendments are to be made, the operator shall submit the updated SPCC within six months of any new amendment(s). 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 Office of Zoning Administration. This review shall 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 years.

- The site shall be staffed 24 hours a day, seven days a week. There shall be a minimum of two operators per shift so that meal and other breaks do not result in the site being unoccupied by staff.
- The dispersal system for any required odor control product shall be placed as far as practicable from any adjacent residential structures to the site. The current location of the system shall be moved to a more remote location in the drill site, but away from any open flames or ignition sources.

25. All drilling, workover, or maintenance rig operations at the site shall at all times be carried out with engines that are certified pursuant to the Environmental Protection Agency's Tier 4 Emissions Standards until electric workover rigs shall become commercially available for lease or purchase. Power may be generated on site by solar voltaic generators or natural gas powered microturbines placed within sound proofed and odor proofed buildings or structures. Refined natural gas from utility sources may be imported to power microturbines, but shall not be the primary source of microturbines energy cogeneration. Natural gas, produced as a byproduct from oil extraction, shall be the primary source for microturbines energy cogeneration.

All drilling, workover, or maintenance rig operations at the site shall at all times be carried on only by engines that are certified pursuant to the U.S. Environmental Protection Agency's (USEPA) Tier 4 Final emissions standards, or, if available, diesel engines with a higher emissions standard than Tier 4 Final, until electric powered workover rigs shall become commercially available for lease or purchase. Power may be generated on site by solar voltaic generators or natural gas powered micro-turbines placed within sound and odor proofed buildings or structures. Any methane used for the micro-turbines must come from methane produced as a byproduct from oil extraction.

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Refined natural gas may be imported to power microturbines from utility sources, but shall not be the primary source of microturbines energy cogeneration.

26. The use of diesel fueled equipment, including any drilling, workover or maintenance rig, is permitted on the site as long as the equipment is equipped with engines that are certified pursuant to the U.S. Environmental Protection Agency's (USEPA) Tier 4 Final emissions standards or, if available, diesel engines with a higher emissions standard than Tier 4 Final, until electric workover rigs shall become commercially available for lease or purchase. Diesel powered vehicles are permitted on the site. Said vehicles, however, may not idle when on-site and must shut off their engines until they are to be moved off of the site or to another position on the site.
27. The operator shall remain in compliance with city, county, state and federal regulations specifically regulating idle wells, including CalGEM's Idle Well Program. The operator shall plug and abandon idle wells as required by and in accordance with any city, county, state and federal regulations.
28. Monitoring Program. The following measures shall be utilized by the operator to maintain regular and assured oversight of the well site in a residential neighborhood.
- 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 leaks. A protocol for the construction, installation and operation of the system shall be established to the satisfaction of the LAFD and CalGEM 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 operator 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 LAFD for its design.

- c) The operator shall formally arrange with the LAFD Oil Wells Unit and the LAFD CUPA Program, for annual monitoring of the operation at the subject site, including but not limited to inspection of the systems described above. Copies of all monitoring inspection reports shall be filed with the Office of Zoning Administration and the Petroleum Administrator.

- 29. The operator, in the event of ceasing and/or decommissioning the drill site, shall test for potential hydrocarbon contamination in specific areas. The operator, or responsible party, shall test for soil data under the well cellar and tank battery area of the drill site. If contamination is found to be present then the area shall be remediated according to the standards and satisfaction of the Los Angeles Regional Water Quality Control Board. All excavations and depressions shall be filled with clean soil. All oil, refuse and waste shall be removed from the drill site pursuant to city, county, state and federal laws and regulations. The operator, or responsible party, shall remove all underground and above-ground storage tanks in accordance with city, county, state and federal laws and regulations.
- 30. All production installations or facilities shall be removed and the premises restored to its original condition after all oil and gas wells have been abandoned in accordance with city, county, state, and federal regulations.
- 31. The operator shall record 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 ZA-1959-15227-O-PA6-1A C-10

agreement (standard main 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 for inclusion in case file.

- 32. When a Condition of ZA-1959-15227-O-PA6 conflicts with Los Angeles Municipal Code Section 12.23-C,4, as recently adopted by Ordinance No. 187,709, and effective on January 18, 2023, Section 12.23-C,4 shall supersede on matters regarding the drilling of new wells or the redrilling of existing wells to increase extraction. All other conditions in ZA-1959-15227-O-PA6 shall remain in effect.
- 33. Indemnification and Reimbursement of Litigation Costs. Applicant shall do all of the following:
  - i. 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.
  - ii. 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.
  - iii. 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 (ii).

- iv. 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. 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 (ii).
- v. If the City determines it necessary to protect the City's interest, 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  
ZA-1959-15227-O-PA6-1A C-11 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, commissions, 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.

ZA-1959-15227-O-PA6-1A C-12 **Exhibit B: Murphy Drill Site Enclosure of**

## **Production Area**



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## FINDINGS

(As modified by the South Los Angeles Area Planning Commission on October 17, 2023)

1. The site, known as the Murphy Drill Site, is located on a slightly sloping, irregular shaped property fronting on the south side of West Adams Boulevard, between Cimarron Street to the west and Manhattan Place to the east. The site overlays a portion of the Las Cienegas Oil Field. The property has dimensions of 323 feet along the south side of West Adams Boulevard, 165 feet along the north side of 27th Street and a non-uniform depth of 588 feet and an overall square footage of 3.25 acres. The drill-site is located in the [Q]R4-1-HPOZ Zone and is within Urbanized Oil Drilling District U-37 as established in 1959 by Ordinance No. 114,701. The portion of the drill-site containing the existing drilling and production equipment is enclosed with a concrete block wall that is set back from West Adams Boulevard by approximately 25 feet. The portion of the drill-site within the block wall is accessed through one of two gates and driveways from West Adams Boulevard. The easterly portion of the drill-site, located outside of the block wall, is utilized for parking and has a separate driveway off of West Adams. The southerly portion of the drill-site



fronts along 27th Street and is enclosed by a 6-foot wrought iron fence. This southerly area is landscaped and can be accessed from the drilling and production area enclosed by the block wall via an existing gate. Vehicular access to the landscaped area is through an existing driveway on 27th Street. Set back approximately 270 feet from 27th Street is the southerly line of the block wall which encloses the drilling machinery. The area to the south of the block wall is landscaped with mature landscaping and a circular driveway. There are also some pipes which extend through the block wall and go underground about one third of the way across the wall going from west to east.

The site is improved with tanks, vessels, well cellars, pumps, generators, compressors and various pieces of equipment for operating the facility. There are also some microturbines used for co generation of electric power which are powered by excess natural gas which is a byproduct of the oil drilling. These generators are used to generate approximately one-third of the power used for site operations. There are a small number of operational buildings on the site located in the R4 zoned portion of the site.

The owner of the site is the Roman Catholic Archbishop of Los Angeles who leases the site to the E & B Natural Resources Management Company (E&B). E&B is the leaseholder of the entire drill-site which extends from Adams to 27th Street. This has been indicated as such on the plot plan for the site which has existed from 1959 to the present. Existing entitlements and Zoning Administrator actions have never restricted the operational portion of the drill-site to the operating area of the drill

site between West Adams Boulevard and the block wall which encircles the current operating area. Though not currently used except for the fore-mentioned pipes extending from the block wall, the area to the south of the wall has been required to be landscaped. Thus, the full 3.25 acre site has been preserved as the drill-site by the Office of Zoning Administration determinations from 1959 to the present.

2. The site is surrounded by residential and institutional uses. To the immediate east of the site is the 191-unit Saint Andrews Gardens apartment complex in the [Q]R4-1-HPOZ Zone. Properties to the south comprise a number of single-family homes, duplexes and triplexes in the RD2-1-HPOZ Zone. Properties to the west are occupied by a convent of Roman Catholic Nuns adjacent to 27th Street and an AIDS Healthcare Foundation hospice on Adams Boulevard also in the [Q]R4-1-HPOZ Zone. Neighboring properties to the north are zoned R4-1-O-HPOZ and are improved with one- and two

story buildings with a library (LA84 Foundation) and a seven-story residential building. Also located  
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within 500 feet of the site are St John of God rest home and hospital and the William Andrews Clark Memorial Library owned by University of California at Los Angeles.

3. A review of the past record and information contained in the file indicates that oil drilling and oil production have taken place on the site since it was first authorized to be operated at this location on April 5, 1961 pursuant to ZA Case No. 15227, subject to 24 Conditions of Approval. Development of the site for oil and gas drilling and production operations has been subject to a zoning approval process referred to as a "Review of Plans" for the construction of buildings and the installation of equipment necessary for the production of oil on the site. In addition, subsequent cases have also regulated oil drilling and production on the property, mainly addressing the need for occasional drilling and re-drilling of new or existing wells. The last such submittals were approved by the Zoning Administrator on September 14, 2007 for the expansion of the well cellar and approval of the drilling of 3 new wells, the future drilling of 9 additional wells in ZA 15227(0)(PA4), the related December 26, 2007 Review of Plans for the expansion of gas handling facilities, the August 26, 2008 Review of Plans for the approval to drill Well M-31 and the May 14, 2013 Review of Plans for approval to drill Wells M-37, M-33 and M-40 all as part of the 9 additional wells approved on September 14, 2007. It should be pointed out that a further review of the approvals for the gas handling facilities was to clean the by-product natural gas which was released by the oil drilling in order to sell the natural gas to the Southern California Gas Company.

This Plan Approval Determination results from the research and findings of this office, as well as

letters and complaints raised by residents and stakeholders from the community surrounding the Murphy Oil Drill Site operation. These complaints revolved around odors caused by oil pumping, the burning of methane gas in the microturbines and work on the site that exceeded the hours of operation contained in the Conditions of Approval. This Determination is in response to the application filed by the operator on September 1, 2021.

Research and reports from the LADCP, LADBS, LAFD, SCAQMD, and CalGEM were 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 Murphy Oil Drill Site operation.

This Plan Approval process began with a November 17, 2020 letter from the Department of City Planning's Office of Zoning Administration to the operator inquiring about any recent well work at the Drill Site and if the operator had secured permits from CalGEM for recent work. On December 17, 2020, the operator responded to the City with additional information. In its letter, E&B stated that they had been doing no new well drilling on the site nor any deepening, re-drilling, plugging or permanently altering any of the casing of a well or its function. At the time, the City believed that any of these above stated work items would require that the site operator file for a Determination of Conditions for such work pursuant to Sec 13.01-H of the LAMC. This Section has since been superseded by Section 12.23-C.4 of the LAMC and Zoning Administrator's Interpretation No. ZA 2022-8997-ZAI, which prescribes new procedures for well maintenance for existing non-conforming oil well drill sites as well as what constitutes well maintenance. The zoning code was amended by Ordinance No. 187,709 to prohibit any new drilling, re-drilling, deepening or maintenance unless approved under Section 12.23-C.4. In addition, Zoning Administrator's Memorandum No. 141 outlines the application procedures for Section 12.23-C.4 and states that "these wells are subject to LAMC Section 12.23-C.4 for any future scopes of work. Existing wells that received prior Zoning Administrator approval will remain subject to the previously imposed land use conditions.

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Since none of this work has been conducted by the applicant, no current Determination of Conditions has been required for such activities on the site. The applicant, however, has been performing maintenance on their injection wells on the site. The question arises as to whether or not an injection well is integral to the production well as gas and water are by-products of produced oil on the site. The injection wells are used to inject water and excess natural gas back into the substrata. Complaints have arisen about the use of acids, and the odors produced, to reduce scale in the injection well. While a strict reading of Section 13.01-H mentions that only the drilling, deepening or maintenance of an "oil well" needs to apply for a Determination of Methods and Conditions, E&B and most other companies have interpreted this as being for production wells only. However, Section 13.01-B (Definitions) defines an "Oil Well" as

"any well or hole already drilled, being drilled or to be drilled into the surface of the earth which is used or intended to be used in connection with coring, or the drilling for prospecting for or producing petroleum, natural gas or other hydrocarbon substance, or is used or intended to be used for the subsurface injection into the earth of oil field waste, gases, water or liquid substances, including any such existing hole, well or casing which has not been abandoned in accordance with the requirements of Article 7 of Chapter 5 of this Code ..."

On June 1, 2021, the Department of City Planning's Chief Zoning Administrator sent a letter to the operator notifying the applicant of the requirement to file for a Plan Approval for a review of compliance with and effectiveness of the conditions imposed under Case No. ZA-1959-15227(O)(PA4). On September 1, 2021, the operator submitted an application to the Department of City Planning for a Plan Approval (Case No. ZA-1959-15227-O-PA6) to review compliance with the conditions of approval imposed under Case No. ZA-1959-15227(O)(PA4). The applicant included a letter in the application requesting additional conditions related to annual inspections, emergency reporting, air monitoring, and the operation of the microturbines.

The Zoning Administrator has agreed to the additional conditions requested by the applicant.



Condition Nos. 18, 19 and 20 regarding annual on-site safety inspections and reports, fence line monitoring of various pollutants and immediate notification of appropriate City agencies including the Fire Department, the Petroleum Administrator, the Office of Zoning Administration, Department of Building and Safety and the local Council Office of an emergency, accident or spill which requires reporting to State, County or Regional agencies respectively. These Conditions are similar to those required on other drilling locations in the locality and standardize these Conditions on E&B Natural Resources Management Company's local operations.

E&B also asked for a "clarification" on the use of microturbines on the site which are used for both cleaning natural gas generated by the wells for sale to the Southern California Gas Company and for electrical generation. There are numerous documented complaints in the file about the burning of natural gas on the site and that Condition No. 43 of Section 13.01-F prohibits the generation of electricity on the site. Condition No. 43 was included in the original Determination for the Drill Site. Section 13.01-F includes over 60 additional conditions that may be placed on a drill site other than the Standard Conditions located in Section 13.01-E, 2. The Conditions in Section 13.01-F are discretionary in that the introductory language of the Section states:

"In addition to the standard conditions applying to oil drilling districts, the Council by Ordinance or the Zoning Administrator **MAY** impose other conditions in each district as deemed necessary and proper."

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In the case of the Murphy Site, the original prohibition against generating electricity on the site was eliminated by the Zoning Administrator in Plan Approval No.4 (PA4). The use of the microturbines is for both the cleaning of natural gas and the production of electricity on the site. The microturbines are powered by natural gas which is a by-product of oil production on the site. Eliminating the turbines would result in not only being unable to clean the natural gas to current standards of the State's California Air Resources Board (CARB) but would place additional power demand on the City's Department of Water and Power power grid. As the previous Zoning Administrator has permitted this use, this Determination will let it continue. However, in order to contain any noxious odors from this use, Condition No. 23 requires the micro-turbines to be contained within the required containment structure with an additional state of the art vapor recovery system. The turbines, themselves, are already contained within a building. Condition No. 23 requires that the additional containment structure will also contain this building in order to further reduce noxious odors in the neighborhood. On July 28, 2021, the Department's Chief Zoning Administrator sent a letter to the operator inquiring about possible well maintenance activities that would be subject to LAMC 13.01- H. On September 22, 2021, the operator responded to the City with additional information. The letter stated that over a two-day period, the operator performed a scale cleaning operation on two non-producing oil wells used as injector wells using 1,600 gallons of solvent mix, 500 gallons of mud acid mix and 500 gallons of brine water on each well. Neither CalGEM or the SCAQMD require permits for such work, but the operator does have to report to CalGEM in their end of year reporting of their aggregate well plan. Since July 2023, however, one of SCAQMD's oil well regulations, Rule 1148.2, now requires reporting notifications for any maintenance acidizing on injection wells. As stated above, however, the language of Section 13.01-H of the LAMC does include the maintenance acidizing of injection wells as requiring a Determination of Methods and Conditions to be filed. As such, Condition No. 17 was added to the Conditions of Approval. Condition No. 17 does not require a separate Zoning Administrator determination every time that the operator is performing well maintenance on injection wells. A one-time Zoning Administrator determination is required so that the City and its residents are informed of the materials used in such well cleaning, the toxicity, if any, of the material and notification of such work being done. Presently nothing is required which details what is used and when such work is occurring. The filing of a one-time Zoning Administrator determination should not be onerous to the operator as it will result in full disclosure of such activities in the neighborhood and can be updated over time as best practices change.

On December 22, 2021, the Chief Zoning Administrator sent a letter to the operator inquiring about toxic chemicals used to mask odors, use of radioactive materials on wells, and staff leaving the drill

site at night. On January 17, 2022, the operator responded to the City with additional information. The operator responded to the December 2021 letter on January 17, 2022. In compliance with SCAQMD regulations the operator installed an aromatic diffuser system for potential odor mitigation. Specifically, the odor control system is used to neutralize potential diesel odor for well servicing work. According to the applicant, the counteractant called Odor Control Jasmine is safe, non-toxic and 100% biodegradable. However, the Safety Data Sheet for the product includes hazard statements claiming that it is a flammable substance which can cause serious eye or skin irritation, and if the product is somehow ingested, it can result in gastrointestinal complaints, irritation of mucous membranes and nausea. These are byproducts of a component which is in regular use for odor controls. Complaints were raised at the public hearing and in written testimony against its use because of odor of the product and possible health concerns. The smell of natural Jasmine is a strong odor and its use to mask diesel and other odors would be a practical use of the product.

The Zoning Administrator is not about to quibble with the operator as to their choice of required odor masking products; however, he is concerned about the present location of the equipment for  
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dispensing the product which is on the western side of the property close to the adjacent AIDS Healthcare Foundation's hospice building. The equipment shall be removed from its present site to an area of the drill site which is as far away as possible from adjacent residential uses and away from any flammable uses on the site. People in a hospice situation are not mobile and any problems with the dispersal equipment should not affect adjacent residential properties especially for those with residents with terminal medical conditions. Though it is required to be diluted by liquid and is in its product container, it can cause vapor and liquid spills. These should not be used adjacent to health facilities or residences in general.

Complaints against the use of radioactive materials were mentioned in the Chief Zoning Administrator's letter. E&B Natural Resources stated that such radioactive tracer surveys are required by the State of California's Government Code Section 14 CA Code of Regulations 1724.10.2. As this is a requirement of the Government Code, the City cannot place its own regulations on the tracer surveys as the State of California is a superior agency to the City. The use of Iodine 131 is common in hospitals for imaging solutions. The use of Iodine 131 is regulated by the United States Environmental Protection Agency, CalGEM and the California Department of Health Services. The operators must also notify CalGEM when such a tracer survey is to occur and a CalGEM inspector must be on the site to monitor the test. No further conditions have been imposed to regulate such a test.

As to comments in letters to the Department and photographs showing the on-site staff leaving the site during their shift, E&B mentions that there is no current requirement in the Conditions of Approval requiring staff be on-site for 24 hours. They do claim that they have at least one or more personnel on-site every day and that the staff is assigned two, twelve hour shifts daily. While E&B suggests that there are redundant systems, multiple alarm systems including on the recently installed fence line monitoring system, a 24-hour answering system, approved safety and emergency response plans, the Zoning Administrator has included an additional Condition in Condition No. 24 to require that there always be someone on the site. This would require a two person shift for the two shifts so that if staff takes a dinner break there would still be a staff monitor on the site in case any problems should arise. This is not a Condition of the site's 2020 Spill Prevention, Control and Countermeasure Plan with the Fire Department as mentioned in letters to the file, but the Zoning Administrator believes that for an otherwise industrial facility in a residentially zoned and built community there should be personnel on the site, 24-hours a day for both security and to monitor on-site equipment. E&B, though not currently required to do so, has stated to the Community that there are two 12-hour shifts on the site and that there is always someone on the site. As spills and leaks can occur at any time at a drilling facility, as occurred at the Rancho Park drilling facility which had a mercaptan leak which permeated the air in much of the City's Rancho Park, West Los Angeles and Palms communities, trained staff should always be on the site to monitor and control the equipment.

4. After listening to the testimony at the public hearing held on April 28, 2022, reading the letters and emails to the file for the hearing and receiving information from the City's Petroleum Administrator on December 6, 2022, the Zoning Administrator has determined that E&B Natural Resources is in partial compliance, as shown above in the Compliance Review Section of this Determination, of the Conditions of Approval for Z.A. 17525 (PAs 1 through 5). One of the main points of contention at the public hearing was that the Murphy Drill Site's Conditions of Approval were not consistent with other drill sites in the South Los Angeles area and that the South Los Angeles drill sites did not have Conditions of Approval consistent with drill sites in wealthier communities on the westside of Los Angeles.

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The Condition Compliance report submitted by E&B (It should be pointed out that the condition numbers stated in this finding and the Condition Compliance Report are different from the condition numbers in this Determination. This is due to the additional conditions placed in the Conditions of Approval of this determination.) stated that they were in compliance with all of the previous Conditions of Approval. Department staff in reviewing the Condition Compliance report agreed with E&B on 23 of the Conditions of Approval, in partial compliance with four Conditions and non-compliant with two Conditions. Many of the 30 Conditions deal with the drilling of the wells. The six which were in partial, or non-compliance dealt with operational conditions. Among the partially compliant conditions were Condition 13.01-F, 54 (complaints over odors from burning methane gas), Condition No. 5 (all access from Adams Boulevard), Condition No. 6 (hours of operation) and Condition No. 11 (removal of graffiti). Staff found that Condition No. 13-F, 18 (no noise, dust, odors or vibrations from operating equipment) was violated and citations issued by oversight agencies. Additionally Condition No. 12, which requires the use to be operated at all times with due regard for the character of the surrounding district, has been violated in that the operator has been cited for a number of violations of odor controls and un-cited noise complaints by the neighborhood. Condition No. 12 also allows the Zoning Administrator to impose additional conditions if proven necessary for the protection of the neighborhood or occupants of adjacent property. Though the applicant has not stated that they have violated these conditions except for a violation of hours of operation for maintenance work on the site, they did realize problems with the neighborhood and proposed three "good neighbor" conditions to be added to the Conditions of Approval. The Zoning Administrator has imposed additional conditions Nos 18, 19 and 20 regarding annual on-site safety inspections and reports by an independent contractor, enhanced fence line monitoring and supplemental emergency reporting to City agencies including the Fire Department, the Office of Zoning Administration, the Petroleum Administrator, Department of Building and Safety and the local Council Office of any spill, accident or other emergency that requires reporting to a State, Regional or County agency.

At the public hearing and in correspondence before the hearing, Earthjustice, representing Redeemer Community Partnership, recommended three additional conditions that were placed on both the Jefferson Drill Site, which is one mile away from the Murphy Site and on other drill sites in West Los Angeles be added to the conditions of operations for this drill site. The proposed conditions are: fully enclose the Murphy Drill Site in a permanent enclosure with an enhanced vapor recovery system; only allow the use of all-electric workover rigs; and prohibit the burning of methane gas at the drill site.

After the hearing, the record was kept open until May 31, 2022. On February 23, 2023, the ZA issued a determination, which modified and added certain conditions of approval.

The applicant, E&B, timely appealed the determination on January 31, 2023. The appeal challenged conditions 5, 7, 17, 19, 21, 22, 23, 24, 25, 26, 27, 28, 32, and 33.

The ZA considered the appeal points raised, and, in a presentation to the SLAAPC, recommended some changes to the February 23, 2023 determination, which were accepted by the SLAAPC. The SLAAPC adopted the findings made by the ZA in the February 23, 2023 determination, and made further changes in the Conditions of Approval, which were ultimately moved and adopted, for the additional reasons set forth below.

**Condition No. 1** in PA6 was modified by adding language requiring a new site plan for the drill site to be submitted to the Office of Zoning Administration which shows the location of all current  
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production equipment on the site including but not limited to tanks, vessels, compressors, scrubbers, microturbines and oil and injection wells. This modification was made so that the Office of Zoning Administration has a current site plan of the site for the file. It should also be updated if and when a new project involving a Zoning Administrator determination is approved. A recently passed City Ordinance prohibits additional oil well and injection well drilling on the site and in the City.

**Condition No. 5** in PA6 was originally modified by the Zoning Administrator to prohibit any access to the site from the 27<sup>th</sup> Street entrance except for landscape maintenance of the park-like area on the southern portion of the site. The Zoning Administrator's original Condition limited access to the drill site to Adams Boulevard only. However, complaints were raised at the hearing and in written comments stating that the Southern California Gas Company was using the 27<sup>th</sup> Street entrance for the placing of a new industrial sized meter for the production site. The southern portion of the drill site property has always been used as a park-like area with all oil production equipment to be located on the north half of the site. There is a wall and a low ridge which separate the two portions of the site and except for some pipes attached to the wall and the aforementioned gas meter no production material is located south of the wall. There is presently a gate at the easterly parking area for the site which allows access to the landscaped area which will allow workers to maintain the pipes and gas meter. The 27<sup>th</sup> Street driveway is surrounded by residential properties and a convent for Roman Catholic nuns in the R4 and RD2 zones. Such a residential street and area should not be subject to any traffic accessing the industrial use that constitutes the drill site. Therefore, the Zoning Administrator recommended to the Commission that they amend Condition No. 5 to limit the entrance on 27<sup>th</sup> Street to landscape workers and employees of the Southern California Gas Company.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The South Los Angeles Area Planning Commission as a part of their action on the appeal further amended **Condition No. 5** to limit the entrance on 27<sup>th</sup> Street to landscape workers and employees of the Southern California Gas Company. The Gas Company set up their gas meter for the site in the area to the south of the drill site itself on the easterly property line for the southerly landscaped area. Neither E&B nor the City has control over the Gas Company in how they access their equipment on the site. The Gas Company is a public utility which is regulated by the State of California's Public Utilities Commission (PUC). The APC agrees that the City cannot limit the operations of such public utilities and cannot forbid them from controlling the methods of access to their surface equipment or gas lines just as they cannot limit their access to private property either residential, commercial or industrial.

**Condition No. 6** in PA6 was modified to place additional language in the Condition to require that the notice required of abutting property owners regarding heavy truck operations should also be placed on the newly required (Condition 21) landing page for public information on E&B's web page. A further explanation for Condition 21 is included below.

**Condition No. 7** in PA6 was modified to include language regarding the enclosure of the site required by Condition No. 23. The modification states that the required enclosure structure shall be a minimum of 30 feet in height and a maximum of 45 feet in height compliant with the maximum height of the R4 Zone in Height District No. 1. As modified, the soundproofing is required until the completion of the 30 to 45-foot enclosure. Again, the Condition has been modified so that sound level measurement and monitoring be required during the use of any workover or maintenance rig and that the resulting measurements be placed on the website for the facility. In this manner, the operator will be encouraged to follow the City's Noise Ordinance as closely as possible and will result in the public being made aware of the actual noise levels instead of attempting to guess at

the levels. The intent is to bring down the level of noise from drilling and maintenance operations as this is a residential neighborhood with a number of medical, school and library structures in the immediate area.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:**

**Condition No. 7** has nine sub-conditions a through i. These were not changed by the Commission from the original Conditions of the Determination except for Conditions 7.c and 7. i.

**Condition 7.c** as originally written required acoustical sound blankets to be placed on the exterior of the rig floor to the ground to cover the open area of the rig structure facing the west property line which contains the closest residential uses (an AIDS Healthcare facility). The SLAAPC's amendment to Condition 7.c requires that the acoustical blankets be placed on the facility until construction of the sound enclosure required by Condition 22. The amended language includes language which clarifies that the enclosure required by Condition No. 22 is open to the sky and not enclosed by a roof. This has always been the intent of Condition No. 22, that the required enclosure be open to the sky because of the difference between the LAMC definitions of structure and building. A structure has four walls but no roof while a building requires a roof. The additional language clarifies that the enclosure does not have to have a roof.

The SLAAPC, in making their determination on the appeal, heard from both Department of City Planning staff and the appellant's representative that the proposal in the appellant's Noise Study would result in a lowering of operational decibels [dB(A)] on the second floor of the adjacent building (AIDS Healthcare facility).

Appellant presented evidence through a noise study that their proposed noise reduction panel walls would reduce noise to 53 dB(A). The Zoning Administrator countered that his proposal to reduce noise levels by enclosing the production site by a four wall containment structure (no roof) would reduce the noise levels at the site by a greater amount. The ZA's analysis was based on the Noise Analysis done for the West Pico drill site's Environmental Impact Report which showed that the noise reduction to that site's closest residential structures was 44 dB(A) with a 25-foot high containment wall. As Condition 22 requires a minimum 30-foot high and maximum 45-foot high containment wall on four sides of the production site, the Commission's amendment to Condition No. 22 will result in a greater noise reduction in the area.

**Condition 7. i** was amended to state that the required sound notification shall be placed on the required website landing page and not by mail. The website landing page under the Conditions of Approval has become the main method for the Operator to communicate with area residents instead of mailing the information. The web page can contain much more information in one place for interested parties, is readily accessible, and does not lead to excessive paper waste.

**Condition No. 8** was deleted by the Zoning Administrator in PA6 and the action was not appealed.

**Condition No. 9** was added to the Conditions of Approval in PA6 from the list of optional, additional conditions in LAMC Section 13.01-F It has been included as a requirement for the operator to remove all rigs from the site when drilling is completed including the use of workover and maintenance rigs. This will help control the appearance of the site by requiring the operator to

remove rigs, derricks and other drilling and maintenance equipment which is not being used by the operator. The drill site is a residential area and all such equipment which exceeds the height of either the required structure or the view blocking fence at the front of the property shall be removed

so that the industrial nature of the well site is concealed from both passersby on Adams Boulevard and from the adjacent residential properties.

A new **Condition No. 10** (Condition No. 45 of Section 13.01-F of the LAMC) was added in PA6. It is a requirement that the operation of the site shall be operated to reduce as far as practicable dust, noise and vibration and noxious odors resulting from the use of the site. It also requires that as technological improvements and equipment become available to reduce dust, noise, vibration and odors, it should be adopted for use or installed by the operator. A Plan Approval, Health and Safety Exception, or other discretionary application should be filed before the new equipment or operating procedures can be installed. As can be seen by the actions of the applicant and former operators of the site, the Plan Approval process has not always been applied to new equipment or well maintenance activities which is required by Section 13.01 of the Code. The addition of Condition No. 10 makes it an unmistakable requirement for any such changes or operations.

**Additional South Los Angeles Area Planning Commission Finding on Appeal: Condition No. 11** applies to signage; the condition requires that the operator list the direct telephone number to the site supervisor to report ongoing problems with site operations or odor problems on the site's entry gates. This condition was amended by the SLAAPC so that the sign must include threshold languages for Los Angeles County. After conducting an analysis using U.S. Census Bureau data, in conjunction with the City's GIS Department, the following threshold languages found within a 1,500-foot radius of the Murphy Drill Site are the following: English, Spanish, Korean, Chinese (Simplified and Traditional), Arabic, Russian, Vietnamese, and Tagalog. The research and analysis conducted in identifying the threshold languages by the City's GIS team is included in the case file and composes part of the Administrative Record.

**Condition No. 15** (on-site lighting of the site) was modified in PA6 to take into account lighting on the new containment structure which at up to 45 feet exceeds the height of other buildings in the area. Any lights must be below the height of the surrounding fencing at the property lines of the site. Again, the site is in a residential area and industrial strength lighting should not be placed into it or if

necessary for security reasons, such lighting should not be readily viewable from adjacent residences. Such lighting requirements are standard for commercial and institutional uses which are adjacent to residential areas, and as this is a midblock intrusion of a use which is normally allowed only in a M3 heavy manufacturing zone, the lighting should be compatible with and not an evening and nighttime intrusion into the peaceful enjoyment of evening and sleep time use of the adjacent residential properties.

**Condition No. 16** was modified in PA6 in order to update previous language regarding the Zoning Administrator having the ability to require a Plan Approval to review compliance with the Conditions of Approval.

**Additional South Los Angeles Area Planning Commission Finding on Appeal: Condition No. 16** was amended by the Commission at the request of staff to delete some of the language which referred directly to the Zoning Administrator reserving the right to require the applicant to file a Plan Approval for condition compliance as well as fees for the Plan

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Approval and mailing instructions. The condition was non-controversial and was not appealed by the appellant. The staff recommendation was approved by the Commission with no changes.

**Condition No. 17** was added to the Conditions of Approval in PA6 because the applicant has not included maintenance activities for the existing wells including injection wells into the Plan Approval process as is required by Section 13.01-I and the definition of an "Oil Well" in Section 13.01-B of

the LAMC which includes Injection Wells. This Condition was needed due to the materials that are used in well maintenance procedures which include such items as acids to clean out calcium deposits in wells which can block either oil coming out or byproduct fluids being reinjected into the sub-strata. As oil well maintenance is required by State law and best practices and happens to include acids, Iodine 131, which is radioactive, and other noxious fluids and solids, the methods and procedures for such activities are required by the Code either through subsequent approval by the Zoning Administrator. Complaints were raised against the current and former operators of the site for not filing a Plan Approval for the determination of methods and procedures for maintenance of all wells as is required by the Code. Condition 17 makes clear to the operator that the maintenance of all wells is required so that there is no doubt as to the process. The Condition only requires one Plan Approval, Health and Safety Exception, or other discretionary request to set the overall methods and procedures for all maintenance activities of the wells as maintenance activities can occur multiple times a year and the procedures do not change for each individual maintenance activity. If new procedures are requested by the applicant or new maintenance materials are needed, then a new Plan Approval, Health and Safety Exception, or other discretionary application would be needed. New Condition No. 23 requires notice for residents within 100 feet of the site and posting on their web page when any maintenance activities will take place.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** **Condition No. 17** was modified by the Area Planning Commission to bring the Condition into conformance with new Section 12.23-C,4 of the Municipal Code and Zoning Administrator's Interpretation No. 2022-8997-ZAI which defines oil well maintenance. Well maintenance includes other activities besides maintenance acidizing. The ZAI requires all such well maintenance activities to obtain a Zoning Administrator's determination. The language of Condition No. 17 was modified to reflect this action of the Chief Zoning Administrator that was adopted after the Determination on the case was issued and which was also adopted by the City Planning Commission on appeal. While the ZAI and the Section 12.23-C,4 are being litigated, the SLAAPC kept the Condition in the Conditions of Approval pending the outcome of the litigation. If the City obtains a favorable ruling from the Courts then the Condition can be enforced, and if the City does not then it can be deleted as it is unenforceable on a local level.

**Condition No. 18** was added in PA6 at the request of the operator. It requires an annual On-site Safety Inspection Report of all equipment on the site as well as repair or maintenance work done to keep all equipment in good working order. Such reports are normally performed by third parties and the reports sent to the Petroleum Administrator and the Office of Zoning Administration. The report is a compendium of the equipment on site and the repair and maintenance performed on the equipment.

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**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The Commission added language to Condition No. 18 requiring that the annual Safety Inspection Report include a technology assessment report. The report, to be generated by the operator with input from environmental and petroleum engineering consultants, is to look into new and more modern operating technologies such as the commercial availability of electric work

over rigs. This added requirement was placed in Condition No. 18 because of E&B's claim (supported by their work-over rig supplier), that electric rigs envisioned by the ZA were in fact not commercially available at this time. The Commission's modified condition requires the annual report to investigate both the domestic and international availability of the electronic rigs. While the Commission agreed with E&B as to the current availability of such electric rigs, but they still wanted E&B to research availability over time so that when such rigs might become available, they should be used at the site. The Commission agreed with the Zoning Administrator that such rigs would reduce noise and air pollutants that are generated by diesel powered rigs. They also agreed that it was preferable for the operator to utilize temporary rights, as opposed to the permanent electric drilling rigs, as are used at

the West Los Angeles Pico Drill Site. The permanent rig at the West Pico Drill site is 175 feet tall, which would be unsightly in a residential area which also happens to be a Historic Preservation Overlay Zone.

**Condition No. 19** was added in PA6 at the request of the applicant and the City's Petroleum Administrator. This condition requires the operator to install a fence line monitoring system, which would measure any volatile organic compounds, reactive organic gasses and toxic substances which are present in oil drilling operations. The fence line monitoring will detect the concentrations of these byproducts and, also, if any are escaping into the surrounding residential neighborhood. Fence line monitoring has become a best practice in the oil production industry, especially when well sites are located in residential areas, and a fence line monitoring system has already been installed on the site by the operator. Condition 19 is not redundant as it will be required to be monitored as a part of the equipment inspection required in the annual On-site Safety Inspection report. The existing system may not be set up to monitor all of the mentioned production byproducts so there may be some expense for the operator in meeting this Condition but as all of the listed substances are either toxic or cause obnoxious odors in the neighborhood, they should be monitored for the air quality and safety of nearby residents.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:**

E&B appealed **Condition 19**, arguing that the measurement of additional contaminants at the prescribed detection limits prescribed by the ZA was not technically feasible. They also claimed that the Condition required that "real time" data be posted on the web page, which they also claimed was not feasible because the measured data must be processed to make it usable.

The Condition was amended to require that the additional fence line monitoring system be designed to the satisfaction of the Petroleum Administrator and eliminated the mention of specific substances and their detection limits, and it required that this approval be made prior to the upgrading of the existing fence line monitoring system. The Petroleum Administrator is the better agency to determine the requirements for the fence line monitoring system. The Petroleum Administrator is better suited to determine the feasibility of the measuring of the contaminant substances that are released in the air by the extraction of oil. The Condition was also amended to add the phrase "as feasible" to the requirement for real time data to be placed on the E&B website. E&B has stated that the raw information is not useful and has

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to be processed in order to make it usable and readable by the general public. The amendment was also made so that E&B will not be penalized if the reporting occurs after the processing of the information instead of in real time. This amendment will not allow E&B to not post the information; it only allows them time to properly process and report it.

**Condition No. 20** was added in PA6 at the request of the applicant. The Condition requires the notification of various City agencies with jurisdiction over the site whenever there is an emergency, accident or spill that requires reporting to any State, County or Regional agency. Condition 20 became necessary after a spill of Mercaptan, an agent used to place an odor on natural gas which in its natural form has no smell, at a West Los Angeles drill site which caused a nauseous odor to escape and affect a large swath of West Los Angeles without proper notification of City agencies at the time that it occurred.

**Condition No. 21** was added in PA6 because this is a best practice that strengthens transparency between the operator, the City and those that reside within the vicinity of the drill site. The technology and software to illustrate this type of information exists, and the operator has been given an appropriate amount of time to implement the landing page on the company's website.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** E&B also appealed Condition 21, which requires air-quality and noise monitoring, well maintenance activities, real time fence monitoring information and emergency contact



information to be posted publicly. As this facility is located in the midst of a residential neighborhood with numerous health care facilities, schools and residences, the provision of such information has become a standard for permitting agencies to provide information to local residents. For example, this information has been required of Metro commuter transportation construction projects, oil refineries and private and public construction projects which result in noise, dust and other air quality impacts. The Commission amended the Condition only to the extent that it is not required to post “real time” data from the fence line monitoring; the posting of data may be delayed to allow the operator time to process the information into a readable and in a reportable format in the L.A. County threshold languages. After conducting an analysis using U.S. Census Bureau data, the following threshold languages found within a 1,500-foot radius of the Murphy Drill Site are the following: English, Spanish, Korean, Chinese (Simplified and Traditional), Arabic, Russian, Vietnamese, and Tagalog. The research and analysis conducted in identifying the threshold languages by the City’s GIS team is included in the case file and composes part of the Administrative Record.

**Condition No. 22** was added in PA6 because it formalizes a best practice that was first introduced in unincorporated Los Angeles County oil/gas extraction sites. The Los Angeles County Department of Public Health (LACDPH) introduced a notification template for oil companies to send out when they would begin work at drill sites. LACDPH posted this template on their website for any oil companies and/or municipalities to use at their discretion. This template has been discussed at various meetings centered around safety protections for those who reside around oil drill sites and has received positive reviews by residents. The County explained that the “template” is a tool recommended by Public Health for operators and developers to use to communicate with fence line and nearby communities. Information included should include but not be limited to an overview of the activities conducted on-site, the hazards and potential risks for the community, the mitigations to protect public health and safety, what will happen in case of emergency and whom to contact with questions or concerns.

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**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The Commission amended **Condition 22** to require the notice to be available on the applicant’s webpage only instead of also requiring the mailing of such information to just owners and occupants within 100 feet of the site. The Commission agrees certified mail is not necessary, and further, putting the information on the webpage will increase the notification to anyone who has access to the webpage instead of those only within 100 feet of the site. This will make the information much more available to the public as complaints about noise and odors are not coming from just adjacent property owners and residents but from the general neighborhood beyond 100 feet of the site. The Commission also deleted the terms “rework activities and acidization” and substituted the term “well maintenance,” which is consistent with the language of ZA No. 2022-8997-ZAI describing what constitutes well maintenance activities. Consistent with additions to other Conditions regarding the posting of information, it is to be done in the appropriate threshold languages in Los Angeles County. After conducting an analysis using the U.S. Census Bureau data, the following threshold languages found within a 1,500-foot radius of the Murphy Drill Site are the following: English, Spanish, Korean, Chinese (Simplified and Traditional), Arabic, Russian, Vietnamese, and Tagalog. The research and analysis conducted in identifying the threshold languages by the City’s GIS team is included in the case file and composes part of the Administrative Record.

**Condition No. 23** was added in PA6 at the request of numerous stakeholders. An enclosure was a requirement of the 2017 Plan Approval for the Jefferson Drill Site and was required on certain drill sites in West Los Angeles. This Condition also implements Condition 13.01-F, 52, a discretionary Condition of Sub-section 13.01-F of the Code, which states in part that “no oil, gas or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is completely enclosed within a building.” The Condition goes on to require that the structure be of a permanent type and constructed in a manner that will

eliminate as far as practicable, dust, noise, noxious odors and vibrations and other conditions which are offensive to the senses and shall be equipped with such devices as are necessary to eliminate the objectionable features noted above. This Condition also requires the use of enhanced vapor recovery systems to control noxious vapors on the site. Because the site is within the boundaries of the Jefferson Park Historic Preservation Overlay Zone (HPOZ), the Code requires any structures which are not contributing buildings within HPOZs to acquire a Certificate of Compatibility from the HPOZ's Design Review Board. Additional language in the Condition states that the Board may only hold a maximum of two hearings in order to recommend approval of the design only of the structure. The two-hearing maximum was placed on the Board so as not to delay the construction of this necessary containment structure which is to be emplaced to reduce odors, noise and vibrations to the surrounding community. The Board is to only look at the design of the structure and has no ability to deny its construction. The construction of such a structure was also a recommendation of the former City Petroleum Administrator in his comments to the Zoning Administrator on the Plan Approval for the Jefferson Well Site and was included in the Conditions of Approval for that case. Such a containment structure with enhanced vapor recovery systems will reduce the amount of noxious odors from the site as well as contain noise from operating and cogeneration systems.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The SLAAPC amended **Condition No. 23** to reflect the new language of Condition No. 7, which required a structure with a minimum height of 30 feet and a maximum of 45 feet and that it be uncovered. Thus, the language of the two conditions is consistent between the two conditions. The revised Finding also eliminated any mention of a structure that was to be only 45 feet high. The height of 30 feet was chosen by the Commission because this was  
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the height of the containment structure for the West Pico Drill Site in West Los Angeles. The 30-foot height was also consistent with the appellants Noise Study which used 25- and 30-foot high sound attenuation panels on the property lines of the site next to the drill site. The Commission adopted the 30-foot high minimum height, but required the containment structure to include all four sides of the drilling production site instead of on the property boundary next to the production site.

The SLAAPC also adopted language proposed by Planning staff to permit the operator to request additional time over the 24-month permit and construction period included in the Condition. This was due to the amount of time required to design the structure, get both final approval of the project from the HPOZ Design Review Board and to get a permit approved by the Department of Building and Safety. The Department of City Planning has no control over the amount of time Building and Safety takes to get a permit through the Plan Check process. This amendment allows the operator to request additional time from the Zoning Administrator to both process the permit and to construct the structure. The operator must be in the process with Building and Safety in order to get an extension. As was said at the Commission meeting, this amendment was not to permit the operator to delay starting the Plan Check process to the last minute and then ask for an extension. A good faith effort must be made by the operator to start the process in a timely manner.

Lastly, the Commission eliminated language at the request of staff to require that the vapor recovery system be built on top of the 45-foot high containment structure and substitute language requiring that the vapor recovery components be attached to vapor producing equipment such as stock tanks, clarifiers and above ground storage tanks. This list is not inclusive, but the vapor recovery system components should be placed on any equipment that produces obnoxious odors. This requirement places the vapor recovery equipment closer to the odor producing equipment instead of allowing any odors being controlled to remain in the air until a height of 45 feet was achieved.

**Condition No. 24** was added in PA6 to make the Murphy site's conditions consistent with recent Jefferson drill site conditions of approval and are also consistent with a report of the City Petroleum

Administrator to the Zoning Administrator for that case. The Spill Prevention, Control and Countermeasure Plan is required so that any spills which occur on site are regulated so as not to affect groundwater and soil. The Plan would evaluate newly available prevention and control technology which may be installed to forestall spill events and evaluate the structural integrity of secondary containment structures on the site that would prevent spills from reaching soil on the site and ground water. The Condition also requires that the site be staffed for 24 hours per day. The operator currently volunteers that there be two, twelve hour shifts daily with staffing throughout the shift. Testimony and photographic evidence were shown to the Zoning Administrator which showed that, especially in the evening, the site was not fully staffed. In order to permit staff to take dinner breaks, the Condition requires at least two people be on the site during each shift. Thus, if anyone needs to take a dinner break off-site or needs to be off-site due to sickness or family emergency, there will always be a staff person on-site to monitor the facility and notify operational staff if there is any emergency on-site which needs to be met by more than one person or City Fire Department or Police personnel. The site is in an area surrounded by residences and health care facilities, and continuous staffing is necessary both to monitor the site and to deter any criminal activity that could occur on-site. The Condition also requires that any odor control dispersal system be placed as far away from any residential uses as possible. Currently photographs of the site show the odor control dispersal system to be located on the westerly portion of the site close to the outer fence line of the

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site. This site is adjacent to residences and the AIDS Healthcare Foundations medical facility. Since there is very low-level toxic material in the odor control substance, it should not be placed near residential uses as exposure to the material can cause eye irritation and nausea. The Condition requires it to be moved to an area that is non-adjacent to residential uses. Eventually when the site is enclosed the odor control may be made unnecessary by the enhanced vapor control system or it can be enclosed within the containment structure.

**Additional South Los Angeles Area Planning Commission Finding on Appeal: Condition No. 24** remains the same except that the language of the second line was cleaned up to state that if any amendments are made to the Spill Prevention, Control and Countermeasure Plan, an updated Plan would be submitted to the Bureau of Sanitation, the Petroleum Administrator and the Zoning Administrator within six months. Staff proposed the amendment to show that if any amendment was to be made to the Plan that the updated Plan would be submitted to the stated Departments within six months but did not require an updated Plan every six months.

**New Condition No. 25** was added at the applicant's request for a clarification of whether or not the methane fueled microturbines are allowed on the site. It also is in response to the Community's request that there be no methane burned on the site and that the microturbines be removed because they were not permitted in the original Conditions of Approval. The Zoning Administrator reviewed previous Plan Approvals for the site as to the question of the microturbines. Subsection 13.01-F Conditions 26 and 43 both require that operations on the site be carried out only by electric power and that the power not be generated on-site. As previously stated in this Determination, the Conditions in Subsection 13.01-F are discretionary to the Zoning Administrator to place on the site and are not mandatory. Condition No. 43 was placed in the original Conditions of Approval. Because of the natural gas, which was a by-product of oil pumping, the operator of the site in Plan Approval No. 3 requested that the Condition be removed. The Zoning Administrator refused to remove the Condition and required that if the operator wished to remove the Condition that it be done in a separate Plan Approval. The Condition was removed in subsequent Plan Approval No. 4. The microturbines were needed on the site to both clean the natural gas to the requirements of the California Air Resources Board and the Southern California Gas Company who was purchasing the gas. Though the Condition was removed, there was no condition which expressly permitted the turbines. Thus, the confusion on the part of the applicant and the Community as to whether or not they were permitted. The Zoning Administrator has permitted them to be used with this Condition. As originally conditioned by the Zoning Administrator in the determination for PA6, the use of the microturbines has been limited by permitting them to be fueled only by natural gas generated on the site and not by any other well

sites in the area and then sent to the site by pipeline or by natural gas supplied by the Southern California Gas Company. The Zoning Administrator's intent was to prevent the Murphy site from becoming a repository for natural gas produced by other drill sites and burned in the midst of this residential community. Complaints were raised about the odors produced by the burning of methane on the site. The odors produced by the burning of methane in the microturbines will be controlled in the future by the containment building and the enhanced vapor control systems. As to any applicant complaints about needing to import additional methane to the site to operate the turbines, it should be pointed out that this Zoning Administrator was the same one who denied a previous operator of the site who wanted to install a gas flare on the site to remove excess methane from the site that was not used in the microturbines. The Zoning Administrator's rationale was that if there was too much gas at that time over what was needed in the microturbines, then there should be no need to import methane from other drill sites in the area. There is additional language in the Condition which was requested by the Petroleum Administrator limiting the amount of particulate

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matter which may be generated by the microturbines and that ensure that the operator complies with SCAQMD permit conditions that limit the emissions from the full set of turbines not just individual permitted units.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:**

**Condition No. 25** was added in PA6 because of complaints from the community regarding odors and noise produced by diesel powered work over rigs used for well maintenance. Stakeholders also complained about the use of microturbines on the site used to generate electricity from methane which was a byproduct of oil pumping on the site.

On appeal, the operator stated that there currently were no electric workover rigs commercially available. This information was supported by a management employee of the company from which E&B rents their workover rigs. The SLAAPC amended the Condition to require that all workover or maintenance rigs shall be powered by engines that are certified pursuant to the U.S. Environmental Protection Agency's (USEPA) Tier 4 Final Emission Standards or the best available updated EPA Tier emission standards. They also required that the use of diesel powered rigs may continue until such time as electric powered workover rigs were commercially available for lease or purchase. (In Condition No. 18, the Commission also required that the operator shall conduct an annual technology assessment report to be added to their annual safety report to see if and when electronic workover rigs are commercially available.) Condition No. 25 requires them to be used when available.

Electric powered drilling rigs which can be used for maintenance and workover activities are available, but they are permanent structures which remain on the site. The use of such rigs has been shown that they produce fewer odor complaints from surrounding neighborhoods. The West Pico Drill Site has an electric drilling rig which is now used for maintenance and workover use. The West Pico Site generated only 3 odor complaints during a 16 month timeframe while the Murphy Drill Site generated 19 complaints over a similar period. Noise complaints were also negligible because of the use of the electric rig which does not generate the noise of a diesel engine and other noise issues were contained by the site's containment structure. Yet, as noted above, the Commission did not feel a 175 foot structure was appropriate for the neighborhood.

The Commission also adopted language proposed by staff that permitted the use of the on site microturbines and the use of natural gas imported to the site from the Southern California Gas Company. Since one of the original purposes of using the microturbines was to generate electricity for use at the site from methane which is a byproduct of the oil produced from the site, the use of natural gas imported from the Gas Company was resulting in methane generated on-site being pumped back into the sub-surface wells. The Commission adopted the change which allowed the Gas Company's gas to be used, but it required that such gas shall not be primary source of gas for microturbine use. This will

result in the byproduct methane produced by the pumping of oil to be used usefully on the site, but it will still allow the operator to use additional natural gas from the Gas Company as any other residential, commercial or industrial operator can. Also eliminated from the Condition was a requirement that the Murphy Drill Site could not import methane from any other drill sites in the area. This was due to the other drill sites in the area being closed from active drilling and being removed. Thus, there was no methane from these facilities to be imported. Because the applicant is subject to South Coast Air Quality Management District permit conditions for emissions from

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the site, the condition that specified a limit on microturbine particulate matter emissions was eliminated.

**Condition No. 26** in PA6 was imposed at the request of the Community. The City's Petroleum Administrator in a letter of comment on the Public Hearing received by the Office of Zoning Administration on December 5, 2022 stated that electric drilling rigs exist, but that electric workover rigs are not available in the United States. Workover rigs are necessary for both repair of existing wells and for proper abandonment of existing wells. The Condition, however, is similar to a Condition placed on the Jefferson Drill Site and on the West Pico site on Pico Boulevard in West Los Angeles where the Condition has been in effect since the year 2000 and specifically mentions workover rigs have to be electric. The appellant testified at the SLAAPC hearing and in correspondence in the file that electric workover rigs were not available, but drilling rigs were. Such rigs, however, are permanently placed on the site and are over 150 feet tall. They also opined that back up electrical generation was generated on-site by the microturbines and that the condition was redundant. The use of the on-site microturbines in generating electricity or solar powered generators remain the only backup power readily available. The Condition also states that diesel powered vehicles (trucks and semitrucks) are permissible on the site, but that idling engines on the site is prohibited. Engines must be turned off except when being moved off of the site or when repositioning a vehicle on the site. This is a standard air quality improvement requirement placed on diesel vehicles by the City in order to reduce PM10 generation in the City.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The Commission eliminated the requirement in **Condition No. 26** that wholly prohibited the use of diesel powered workover rigs and other equipment, such as backup power generators on the site. Instead, the Commission substituted the language that diesel equipment for workover rigs and other uses had to meet USEPA Tier 4 Final emission standards or the best available updated EPA Tier emission standards until such time as electric workover rigs are commercially available. This makes Condition No. 26 consistent with the City's Petroleum Administrator's comment in a letter to the Office of Zoning Administration dated December 5, 2022, that electric workover rigs are not commercially available. Backup generators are already powered by the microturbines, so there was no need for a condition prohibiting the use of diesel fuel in backup power generators.

**Condition No. 27** in PA6 was added to the Conditions of Approval at the suggestion of the Oil and Gas Facilities Unit of the Office of Zoning Administration. Though all oil companies are required by Federal, State and Local agencies to cap wells when they are idle or abandoned, many companies have not done so on a timely basis claiming a desire to either reopen or repurpose the wells. Idle wells pose a public health and public safety risk to those in the vicinity. Idle well management is imperative to prevent both fugitive emissions and emergency incidents. Idle wells have been found to be leaking natural gas and other substances at idled or inappropriately plugged wells in the Pico Union and eastern Angelino Heights (on hills opposite Dodger Stadium) areas of the City. A recent explosion of an idled well in the Kern County area near Bakersfield has shown the importance of properly plugging or otherwise maintaining idle wells. Thus, the operator is to remain in compliance with all regulations concerning idle wells and their management, including any requirements to plug and abandon idle wells. Most notably, State regulations and the Los Angeles City Fire Code regulate idle wells and the operator shall comply with those standards for idle wells.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The

compliance with CalGEM's Idle Well Program along with existing Los Angeles Fire Department regulations will satisfy this Condition regulating idle wells.

**Condition No. 28** was added to bring the Murphy Drill Site into compliance with other well site cases in South Los Angeles and West Los Angeles. This Condition requires the operator to install an early alert detection system in the event of hydrogen sulfide and methane leaks. The construction of the containment structure and the vapor recovery system will help to control any leaks of these substances especially outside of the containment structure. A state-of-the-art fire suppression system is also required to be developed with the concurrence of the Fire Department and a clearance from the Fire Department is required prior to the Department of City Planning signing off on the Building Permit for such equipment. The Fire Department is also required to arrange for a quarterly inspection of the fire suppression equipment to access their effectiveness and maintenance. The report shall be given to the Office of Zoning Administration on a quarterly basis for a five-year period of time. Upgrades to fire control systems for such industrial uses in a residential area should always be required as fires in oil wells and storage tanks can easily become out of control and residences or healthcare facilities are as close to the production site as 63 feet with overhanging trees.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** The Fire Department and the appellant requested a revision to **Condition No. 28 (c)**. The Fire Department stated that they did not have adequate staff to perform monitoring of the site on a quarterly basis as they had to monitor all drilling sites in the City. LAFD presently performs annual monitoring of the City's well sites and requested that the annual monitoring continue. This is consistent with the Fire Department's current regulations and does not result in the Department of City Planning interfering with the internal working and staffing of the Fire Department. The Commission was satisfied that yearly reporting would be adequate.

**Condition Nos. 29 and 30** were added to PA6 because currently there are no conditions for the decommissioning of the drill site. Condition No. 29 lists the tests for soil and ground water contamination which must be analyzed before the site is closed to operations and the appropriate agencies. Condition No. 30 enforces Condition No. 62 of Section 13.01F. Condition No. 62 requires that all onshore drilling and production facilities shall be removed and the premises restored to their original condition after all oil and gas wells have been abandoned. Condition No. 30 is a best practice measure to ensure both that the drill site operator and/or property owner remediates any contamination found at the property and that an expert agency formally signs off on any remediation efforts that occur. Currently, the Regional Water Quality Control Board only becomes involved in a clean-up effort if they are formally asked by the property owner and/or drill site operator. Condition No. 30 memorializes the requirement for the operator to test for contaminants and take a proactive approach in reaching out to the Water Board to review their testing and remediation process. Condition No. 30 is also based on Condition No. 62 of Section 13.01-F which requires that all existing infrastructure from the site be removed and the site returned to its original condition.

**Condition No. 31** was imposed in PA6 to enforce Condition No. 17 of Section 13.01-F. This Condition requires any person requesting a determination by the Zoning Administrator prescribing the methods and conditions that oil drilling and production operations shall be conducted shall agree in writing to be bound by all of the terms and conditions of this article and by any written determination of the Zoning Administrator. The standard method of the Department of City Planning for such an agreement is the filing of a covenant and agreement with the County Clerk to comply with these Conditions.

**Condition No. 32** was imposed in PA6 to reiterate the applicability of the City's new Oil and Gas Drilling Ordinance to the Drill Site. This ordinance deems existing oil wells as a nonconforming use and prohibits the drilling of new wells and redrilling of existing wells. The appellant contends that this condition should not be imposed while the ordinance is pending litigation. The City will comply with a writ of mandate should one be issued in the pending litigation challenging the City's ordinance. If there is no stay or writ of mandate issued against the ordinance, the Condition will stand.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** Although appealed by E&B, the SLAAPC did not feel amendment to Condition No. 32 was necessary. The City will comply with any Court order relating to the enactment of the new Oil Ordinance.

**Condition No. 33** was imposed as it is a standard condition for all Department of City Planning cases which may be litigated.

**Additional South Los Angeles Area Planning Commission Finding on Appeal:** Although appealed by E&B, the SLAAPC did not feel amendment to Condition No. 33 was necessary because this is a standard condition.

6. Both the applicant who wanted clarification of the legality of the on-site microturbines and the neighborhood stakeholders who wanted there to be no burning of methane on the site had concerns about the microturbines on the site which generate electricity for on-site operations. As has been previously stated in these findings, the original determination for the drill site did not permit the generation of electricity on the site and adopted Condition No. 43 of Section 13.01-F which states: "That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district."

As a part of required Plan Approval No. 3, the applicant requested that Condition No. 43 be removed from the Conditions of Approval. The Zoning Administrator hearing the case refused to do so as the request was not noticed and was not a part of the original application for the Plan Approval. The applicant was told to reapply for a new Plan Approval mentioning the change. Subsequently, a new Plan Approval was filed asking for the right to use microturbines on the site. This request was granted in Plan Approval No. 4, but instead of specifically allowing the use in the Conditions of Approval, the request was approved by merely eliminating Condition No. 43. Thus, there is some lack of clarity as to if the use of the microturbines is permitted.

The Conditions contained in Section 13.01-F are discretionary in nature. The introductory language to Section 13.01-F states: "F. Additional Conditions. In addition to the standard conditions applying to oil drilling districts, the Council, by ordinance, or the Zoning Administrator MAY impose other conditions in each district as deemed necessary and proper." Thus, the Conditions of 13.01-F are discretionary, and a Zoning Administrator may pick and choose among the list of 64 Conditions or write new ones as the list is somewhat static and can only be changed in the Code by another ordinance. Accordingly, Condition No. 25 has been added which permits the burning of natural gas or methane if that is the product of the wells. It further limits the natural gas to only that which is generated on-site and not natural gas pumped in from other drill sites. The Murphy site currently also burns natural gas pumped in by pipe from the nearby Jefferson Drill Site. This was prohibited so that the Murphy Site does not become a repository for natural gas from other drill sites. Nor does the Condition permit the operator to buy gas from the Southern California Gas Company for use in the microturbines. In an application for the installation of a Natural Gas Burner in 2017, previous operator Freeport McMoran stated that the burner was requested to constitute a redundant system

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to complement the gas burned in the microturbines. As there was an adequate amount of gas to

power the microturbines at that time with a request to burn the rest or reinject it into the well, this Zoning Administrator finds no reason that the operator should be importing more gas from offsite to run their microturbines. The Condition also requires that the microturbines be placed into the new containment structure with an enhanced vapor recovery system to reduce any odors from the microturbines as well as any noise produced. At the suggestion of the Petroleum Administrator, a limit on microturbine PM10 emissions was also included. Again, the containment structure will help to reduce the amount of PM10 generated by the microturbines and the limitation on emissions will further reduce it.

The Petroleum Administrator also mentioned that the California Air Resources Board in their 2022 draft scoping plan for achieving carbon neutrality mentions the use of microturbines as a reasonably foreseeable compliance response to reduce emissions from existing oil and gas facilities including vapor recovery systems. Collected vapors would be routed to sales gas lines, microturbines, fuel gas systems, low NOX flares or ground injection wells. The existing Murphy Drill Site uses the sale of byproduct natural gas to the Southern California Gas Company and the use of on-site microturbines for both cleaning natural gas for sale and for generating electricity which was previously approved by PA4 in this case. The use of a flare was denied by the Zoning Administrator in 2017. Thus, the use of the microturbines has been approved for the site as they are used for both cleaning existing natural gas to industry and CARB standards and for the generation of electricity on the site for other uses of the facility. The only other methods of disposal for the byproduct natural gas is to burn it in a flare which has already been denied by the Office of Zoning Administration or reinjecting it back into the substrata by the site's injection wells. This would result in a large amount of natural gas being stored beneath a residential neighborhood. After recent experience with reinjected natural gas in the Aliso Canyon well field of the Southern California Gas Company, which was in a well field at least one mile from nearby homes, it is equally dangerous to store natural gas beneath a solidly residential community at this location. While this is not a response desired by the neighborhood stakeholders, the use of the microturbines in an enclosed containment structure with proper vapor controls should eliminate or greatly reduce the noise, odor and PM10 emissions generated by the burning of natural gas at the site.

#### **ADDITIONAL MANDATORY FINDINGS/DISCUSSIONS (ENVIRONMENTAL REVIEW)**

As a Plan Approval related to a review of conditions on an existing drill site, the Proposed Project qualifies for exemption from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, Article 19, Sections 15301 (Class 1), 15303 (Class 3) 15305 (Class 5), 15308 (Class 8) and 15321 (Class 21).

*Section 15301; Class 1: Consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of existing or former use. The key consideration is whether the project involves negligible or no expansion of use.*

The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The Project does not involve the approval of new wells or conversion of existing wells nor will the Project result in a change in the number of wells as the capacity of the oil and gas extraction facility will remain the same as it was at the time

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of the application submittal (September 1, 2021). Therefore, this will not result in any expansion of use at the well site.

*Section 15301; Class 1 Category (f): Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices.*



Following a review of the effectiveness of the current conditions, revisions were made to the existing conditions and additional conditions added to require the installation of enclosures, structures and equipment such as fence line monitoring devices, vapor recovery equipment and a containment structure which are necessary for reducing and neutralizing noxious odors, noise and fluid spills from the site. Other conditions require additional monitoring and regulatory plans and reports to State, Regional and Local agencies such as CalGEM, South Coast Air Quality Management District, and the City of Los Angeles' Department of Building and Safety, the Fire Department and the Department of City Planning's Office of Zoning Administration. The construction of the containment structure is necessary to block odors from oil and natural gas which is extracted on the site from migrating to adjacent residential and medical uses. The walls of the structure will also reduce impacts on nearby residences from any noise which is generated by the operation of the extraction of oil or the co generation of electricity from the burning of natural gas on the site. The enhanced vapor recovery system within the containment building will reduce any airborne vapor and odors from migrating to adjacent properties.

*Section 15303; Class 3 involves the new construction or conversion of small structures or facilities and installation of small new equipment and facilities in small structures.*

The required containment structure consists of walls with no roof. This results in an open-air structure with vapor recovery equipment to reduce odor, noise and dust impacts on the surrounding residential neighborhood. The structure qualifies as a Class 3 small structure in that it is designed to contain the production facility and reduce noxious odors, noise and dust in the area. It is not designed to draw people or vehicle traffic to the site due to any operational effects. It is solely built to contain and reduce noxious operational impacts of the existing use on its surrounding neighborhood.

*Section 15305; Class 5: Consists of minor alterations in land use limitations in areas with an average slope of less than 20%, which does not result in any changes in land use or density.*

The proposed Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M. The site is relatively flat with only a slight slope, well below 20%. The Project does not change the land use or the density of the subject site. Nor does it result in an intensification of the number of wells, either for production or injection, on the site. The Project does not involve expanding allowed uses on a site; instead, this review is narrowly limited to a review of existing conditions. The Plan Approval is making modifications to the existing conditions and adding targeted new conditions that do not result in any changes in land use or density. The Project's scope is limited to the City's review of the Applicant's compliance with the applicable conditions of approval and the effectiveness of those conditions, it does not include the approval of any drilling, re-drilling, or converting of wells. Any new construction of structures is limited

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to the purpose of containing noxious odors, noise, spills and dust which have migrated to the surrounding residential neighborhood.

*Section 15308; Class 8: Consists of actions taken by regulatory agencies, as authorized by state or local ordinance, to assure the maintenance, restoration, enhancement or protection of the environment where the regulatory process involves procedures for protection of the environment.*

The Department of City Planning is one of the City's regulatory agencies which control oil drilling in Los Angeles by determining the methods, standards and conditions for oil drilling sites in the City. The modified and additional conditions contained in this Plan Approval are designed to lessen the effects of odors, noise and dust which result from the drilling operation on the surrounding residential neighborhood. The neighborhood also includes four medical facilities (the AIDS Healthcare Foundation facility adjacent to the site, the John Tracy Clinic and Center 125 feet west

of the site, the Western Convalescent Hospital 350 feet west of the site and the Saint John of God Hospital and Rest Home 500 feet east of the site at the corner of Adams Boulevard and Western Avenue) in proximity to the drill site and numerous other educational facilities. The additional monitoring and vapor recovery devices required by the conditions of approval will reduce and control the known environmental effects of oil drilling including noxious odors, noise, vapors and dust which are affecting this residential neighborhood.

*Section 15321; Class 21 Category 2: Consists of Actions by regulatory agencies to enforce or revoke a lease, permit, license, certificate, or other entitlement for use issued, adopted, or prescribed by the regulatory agency or enforcement of law, general rule, standard, or objective, administered, or adopted by the regulatory agency. This includes the adoption of an administrative decision or order enforcing or revoking the lease, permit, license, certificate, or entitlement for use or enforcing the general rule, standard, or objective.*

The proposed project qualifies for the Class 21 exemption because it involves a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4). The proposed project allows the continued operation of the drill site subject to the existing conditions and added or revised conditions. This regulatory action would not result in any adverse impacts on the environment as any required construction or installation is for the purpose of odor and noise control of the site and for the health and safety of both area residents and employees of the site as well as enforcement of the existing conditions of approval.

### **CEQA Section 15300.2: Exceptions to the Use of Categorical Exemptions.**

The City has considered whether the Proposed Project is subject to any of the six (6) exceptions that would prohibit the use of a categorical exemption as set forth in CEQA Guidelines Section 15300.2. The six (6) exceptions to this Exemption are: (a) Location; (b) Cumulative Impacts; (c) Significant Effect; (d) Scenic Highways; (e) Hazardous Waste Sites; and (f) Historical Resources.

1. Location. *Classes 1, 3, 5, 8 and 21 are qualified by consideration of where the project is to be located – a project that is ordinarily insignificant in its impact on the environment may in a particularly sensitive environment be significant. Therefore, these classes are considered to apply in all instances, except where the project may impact on an environmental resource of hazardous or critical concern where designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.*

The Subject Site is located within a Methane Zone and is located approximately 2.5 kilometers from the Puente Hills Blind Thrust Fault and is subject to specific Regulatory Compliance Measures

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(RCMs) in the City of Los Angeles. These measures regulate the grading and construction of projects in these particular types of “sensitive” locations and reduce any potential impacts to less than significant; thus, the following RCMs would apply:

- Regulatory Compliance Measure RC-GEO-1 (Seismic): The design and construction of the project shall conform to the California Building Code seismic standards as approved by the Department of Building and Safety.
- Regulatory Compliance Measure RC-HAZ-2: Explosion/Release (Methane Zone): As the Project Site is within a methane zone, prior to the issuance of a building permit, the Site shall be independently analyzed by a qualified engineer, as defined in Ordinance No. 175,790 and Section 91.7102 of the LAMC, hired by the Project Applicant. The engineer shall investigate and design a methane mitigation system in compliance with the LADBS Methane Mitigation Standards for the appropriate Site Design Level which will prevent or retard potential methane gas seepage into any new building or structure built on the site. The Applicant shall implement the engineer’s design recommendations subject to CalGEM, LADBS and LAFD plan review and approval. Additional conditions to reduce and prevent odors, noise and dust from migrating into the adjacent neighborhood have been required.

These RCMs have been historically proven to work to the satisfaction of the City Engineer to reduce any impacts from the specific environment of the Project Site. Thus, in conjunction with the above RCMs and compliance with other applicable regulations, the Project will not result in a significant impact based on its location.

2. Cumulative Impacts. *All exemptions for these classes are inapplicable when the cumulative impact of successive projects of the same type in the same place, over time is significant.*

According to the California Department of Conservation (CalGEM) Well Finder database, the closest oil drilling facility is located near the intersection of Washington Boulevard and 4th Avenue, approximately 0.7 miles away from the project site. This site is no longer operational. As such, there are no known successive projects of the same type and in the same place as the proposed project. The Plan Approval review of conditions of approval compliance and the subsequent reporting involves no changes of the existing baseline conditions as the resulting review will not change the number of wells or the production activities. Therefore, this exception does not apply.

3. Significant Effect. *A categorical exemption shall not be used for an activity where there is a reasonable possibility that the activity will have a significant effect on the environment due to unusual circumstances.*

The Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use.

Trees and plants will continue to line the exterior of the walls. The exterior walls will remain the same. Condition No. 23 requires the enclosure of the equipment within the production portion of the site consistent with other drill sites in the area. This will reduce impacts to noise and odors caused by the pumping of oil at the site and the generation of electricity by the on-site microturbines. Adjacent properties to the north, east, and west of the project site will remain zoned R3-1-O-HPOZ and R4-1-

O-HPOZ. Properties to the north, east, and west of the project site are developed with single-family  
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and multifamily residential, healthcare, and religious uses. Properties to the south across 27th Street will remain zoned RD2-1-O-HPOZ and developed with single-family residential buildings. The existing drill site's operation remains bound by all prior conditions of approval and regulatory requirements from the Southern California Air Quality Management District (SCAQMD). Therefore, the baseline conditions will remain unchanged and there are no foreseeable impacts from the project. The Plan Approval has resulted in additional or modified conditions that will reduce the known impacts of odors, noise and dust that exist in the area. Thus, there are no unusual circumstances and no reasonable possibility that the project and on-site activities will lead to a significant effect on the environment, and this exception does not apply.

4. Scenic Highways. *A categorical exemption shall not be used for a project which may result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway.*

The only State Scenic Highway within the City of Los Angeles is the Topanga Canyon State Scenic Highway, State Route 27, which travels through a portion of Topanga State Park. The project site is approximately 15 miles east of State Route 27. Therefore, the proposed project will not result in any damage to any scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway, and this exception does not apply.

5. Hazardous Waste. *A categorical exemption shall not be used for a project located on a site which is included on any list compiled pursuant to Section 65962.5 of the Government Code.*

According to Envirostar, the State of California's database of Hazardous Waste Sites, neither the project site, nor any site in the vicinity, is identified as a hazardous waste site, and this exception does not apply.

6. Historic Resources. *A categorical exemption shall not be used for a project which may cause a substantial adverse change in the significance of a historical resource.*

The Project is a Plan Approval to review compliance with and effectiveness of conditions imposed in Case No. ZA-1959-15227(O)(PA4) for the existing 3.2 acre Murphy Oil Drill Site. There is no proposed expansion of the oil drilling use. This review is authorized by Section 13.01 of the Los Angeles Municipal Code (LAMC) and Condition No. 14 in Case No. ZA-1959-15227(O)(PA4) and will be conducted pursuant to LAMC Section 12.24-M.

This project site has not been identified individually as a potential historic resource in SurveyLA, the citywide survey of Los Angeles, and is not designated individually as a historic resource. However, the project site is identified as a non-contributor within an identified historic district, the Jefferson Park Historic Preservation Overlay District. The site's non-contributor status is verified by the Historic Preservation Overlay Referral Form dated December 29, 2021.

A substantial adverse change in the significance of a historic resource means demolition, destruction, relocation, or alteration of the resource or its immediate surroundings such that the significance of a historical resource would be materially impaired. Condition No. 23 of the project requires that a maximum 45-foot high structure be constructed to contain noise, odor and other objectionable byproducts of oil drilling and retrieval and co-generation of electricity on the site. Because such a structure is located within the boundaries of the HPOZ, it is required

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by Section 12.20.3-L of the Municipal Code to receive a Certificate of Compatibility from the Director of Planning. The HPOZ's Historic Preservation Board will make a recommendation to the Director as to its compatibility with the HPOZ's Historic Preservation Plan. The Project would not result in any substantial adverse change to any historical resource, including to any neighboring contributing or altered contributing structure or to the HPOZ as a whole, and this exception does not apply.

Attachment:

Exhibit B – Oil Production Area outline

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## **Exhibit B - ZA 1959-15227 (O)(PA6)**



## **LOS ANGELES CITY PLANNING APPEAL FILING PROCEDURES**

Entitlement and CEQA appeals may be filed using either the Online Application System (OAS) or in person Drop Off at DSC (Development Services Center).

**Online Application System:** The OAS (<https://planning.lacity.org/oas>) allows appeals to be submitted entirely electronically online; fee payment is by credit card or e-check.

**Drop off at DSC:** Appeals of this determination can be submitted in person at the Metro or Van

Nuys DSC locations, and payment can be made by credit card or check. City Planning has established drop-off areas at the DSCs with physical boxes where appellants can drop off appeal applications; alternatively, appeal applications can be filed with staff at DSC public counters. Appeal applications must be on the prescribed forms, and accompanied by the required fee and a copy of the determination letter. Appeal applications shall be received by the DSC public counter and paid for on or before the above date or the appeal will not be accepted.

Forms are available online at <http://planning.lacity.org/development-services/forms>. Public offices are located at:

|   |   |  |
|---|---|--|
| <b>Metro DSC</b><br>(213) 482-7077<br>201 N. Figueroa Street<br>Los Angeles, CA 90012 | <b>Van Nuys DSC</b><br>(818) 374-5050<br>6262 Van Nuys<br>Boulevard Van Nuys, CA<br>91401 | <b>West Los Angeles DSC</b><br>(CURRENTLY CLOSED)<br>(310) 231-2901<br>1828 Sawtelle Boulevard<br>West Los Angeles, CA 90025 |
|---|---|--|

City Planning staff may follow up with the appellant via email and/or phone if there are any questions or missing materials in the appeal submission, to ensure that the appeal package is complete and meets the applicable Los Angeles Municipal Code provisions.

**An appeal application must be submitted and paid for before 4:30 PM (PST) on the final day to appeal the determination.** Should the final day fall on a weekend or legal City holiday, the time for filing an appeal shall be extended to 4:30 PM (PST) on the next succeeding working day. Appeals should be filed early to ensure that DSC staff members have adequate time to review and accept the documents, and to allow appellants time to submit payment.



QR Code to Online Appeal Filing  
QR Code to Forms for In-Person Filing

Revised July 2023