State of California

Natural Resources Agency / Department of Conservation DIVISION OF OIL, GAS AND GEOTHERMAL RESOURCES

2019028443

California Environmental Quality Act

Notice of Exemption

- To: Office of Planning & Research State Clearinghouse 1400 Tenth Street, Room 113 Sacramento, CA 95814
- From: Department of Conservation Division of Oil, Gas & Geothermal Resources 801 K Street, MS 18-05 Sacramento, CA 95814

Contact: Larry Kleinecke, (916) 445-9686

State Clearinghouse #:

Project Title:	OG Royale 0406720539
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Project Applicant: Royale Energy, Inc.

Project Location:

Rio Vista Gas Field					
County:	Sacramento	Section.	04		
Township:	03N	Range/Baseline:	03E	/ MD B&M	
Latitude/Longitude:	38.13534000/ -121	.64295000		•	

Project Description:

The Division of Oil, Gas, and Geothermal Resources (Division) issued Permit No. 7006557 (API No. 0406720539, Well No. CRC-RGVU 4-1) to Royale Energy, Inc. The project includes installing a new well on an existing well pad. The existing drilling pad will be expanded by approximately 0.98 acre (42,625 square feet) and is located on existing agricultural land. Water will be hauled in by truck for drilling. No hazardous materials to be used in the drilling mud system. All cuttings to be stored in bins and hauled to a licensed waste disposal facility. Liquid waste to be re-used as needed in the mud system. Excess mud will be hauled to a non-hazardous waste disposal facility.

If the well is unsuccessful, it will be plugged with cement following Division of Oil, Gas, and Geothermal Resources (Division) requirements. The temporary cellar will be removed and the site cleaned up and returned to original size.

If the well is successful, it will be completed and connected to an existing pipeline.

Details on well locations can be found on the Division's website at: http://www.conservation.ca.gov/dog/Pages/Wellfinder.aspx

Exempt Status:

As the Lead Agency, the Division has determined that the proposed project is exempt from further environmental review requirements of the California Environmental Quality Act (CEQA), pursuant to the specified exemptions marked in the section below. The Division further finds that the proposed project would not result in a significant adverse impact to the environment, or that any of the exceptions to the exemptions apply (14 CCR 15300.2).

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Governor's Office of Planning & Research

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		Exemption Type	Statute (PRC)	Regulation (14 (
Z	Statu	tory Exemption:	and a second	ann an tha	and and the second s
	. 🗹 :	Ongoing Project (pre-CEQA approval prior to April 5, 1973)	21169	15261 (b)	· · · · · · · · · · · · · · · · · · ·
		Ministerial	21080 (b)(1)	15268	
		Declared Emergency	21080 (b)(3)	15269 (a)	
		Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
1	Categ	orical Exemption:	21084		
1		Class 1: Existing Facilities		15301	1684.
		Class 3: New Construction/Conversion of Small Structures		15303	
	\checkmark	Class 4: Minor Alterations to Land		15304	1684.:
		Class 7: Protection of Natural Resources		15307	
;		Class 8: Protection of the Environment		15308	
		Class 11: Accessory Structures		15311	
		Class 21: Enforcement Actions to revoke a permit		15321	
		Class 30 : Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
-		Class 33: Small Habitat Restoration Projects		15333	
]	Gener	al Exemption ("common sense")		15061 (b)(3)	
]	Not a	"Project" subject to CEQA		15378 (b)(2)	

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<u>CEQA Exceptions to the Exemptions (14 CCR 15300.2)</u>: where project is located (e.g. sensitive environment); Cumulative Impact; Significant Effect due to Unusual Circumstances; Scenic Highways; Hazardous Waste Sites; Historical Resources.

Reasons Why Project is Exempt:

The basis for the Division's determination that the project is exempt from the requirements of CEQA is provided in the brief explanation below.

15261 (b) – **Ongoing Project:** The Division has determined that the project is statutorily exempt under the Ongoing Project (14 CCR 15261 (b)) exemption per the CEQA guidelines because the Rio Vista Oil Field existed pre-CEQA (prior to April 5, 1973) and the Division issued permits for wells in the oil field pre-CEQA. Additional permits issued in the Rio Vista Oil Field are therefore part of an ongoing project and exempt from further CEQA reviews.

Class 4 – Minor Alterations to Land: The Division has determined that the project is categorically exempt from CEQA under the "Class 4" (14 CCR 15304) exemption per the CEQA Guidelines and per DOGGR's regulations (14 CCR 1684.2) because the proposed project is located on a parcel used for active agriculture with an existing well pad and existing dirt roads. It is consistent with Sacramento County's General Plan and zoning ordinance. There are no native vegetation or trees on the parcel. The proposed project consists of expanding the existing well pad by approximately 0.98-acre and drilling one gas well (temporary activity) for possible long-term operation. Should the well prove unsuccessful in producing gas, it will be plugged in accordance with DOGGR regulations and the site will be returned to its previous use. The proposed 0.98-acre gas well operation pad expansion is a minor change to the existing operation and will have a negligible change to the current condition.

Exceptions to Exemptions: The Division further finds that there are no exceptions to the otherwise-applicable categorical exemptions (PRC §21084; 14 CCR 15300.2(c)). There is no substantial evidence that there are any "unusual circumstances" associated with the proposed project that create a reasonable possibility that the activity will have a significant effect on the environment, and that there is no significant "cumulative impacts" resulting from successive projects of the same type in the same place. Therefore, this project is not subject to CEQA.

A copy of this NOE (as required by 14 CCR 15062(a)) and all other related materials are available for public inspection at the Division of Oil, Gas & Geothermal Resources/CEQA Unit, located at 801 K Street, 14th floor, Sacramento, CA 95812; or an electronic copy of these documents may be accessed online at: <u>http://www.conservation.ca.gov/dog/CEQA</u>

Certified:

Division of Oil, Gas, and Geothermal Resources

Date: 2/22/2019