To: Albright, David[Albright.David@epa.gov]; Engelman, Alexa[ENGELMAN.ALEXA@EPA.GOV]; Moffatt, Brett[Moffatt.Brett@epa.gov]
From: Dermer, Michele
Sent: Thur 1/8/2015 7:59:55 PM
Subject: Elk Hills Power / California Resouces Teleconference Summary
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I had a call with the Elk Hills folks this morning. Very interesting and productive call. Here is a summary:

Attendees: Sonnie Pineda - env. staff, Rick Garcia - env. supervisor, Bob Bond - Power plant manager

- We discussed the letter sent to David from Bob on California Resources Corporation (CRC) letterhead. Bob had been advised to send the letter on that paper by their attorney, but Elk Hills Power LLC is still an intact corporate entity whose parent is CRC. They will stick to using Elk Hills LLC since they still exist and still own and operate the power plant and they are the permittee. No further action is required on this as far as financial assurance either.

-The AE package they submitted is the one we saw in draft. They said they have been meeting with DOGGR since February 2014 to discuss an AE package, and that they last one they submitted (the third version) was in October 2014. So it is the same one we saw. I told them we had looked at it and provided a significant number of comments on it to DOGGR but that generally it was not consistent with the EPA checklist which I had sent to Sonnie in September, so it was unlikely that it would be acceptable to EPA.

- They have a meeting at 8 am tomorrow with Jonathan Bishop and Steve Boehlen in Sacramento to discuss "next steps". They have been expecting that DOGGR would find their package approvable and that they would send it on to EPA for final review and approval. I told them we are interested in determining what is the best way to proceed and that I had expected them to submit a separate package for the Class I wells as we had discussed in Septemeber when i was at the site, what was included in their letter was a different plan. Rick explained that they thought they were really far along in the process with DOGGR and that it would be better to wrap it all together (Class I and II) but they now understand it may be more efficient to do a small, separate Class I package. They are going to provide me with the information on the depths of the 10 Class II disposal wells in the AOR of the Class I wells, but the wells do inject into the Tulare formation as we expected.

- One item i had never heard was that the field was originally sold to Oxy Petroleum by the Dept of Energy and Rick understood that the DOE had represented that the Tulare Formation was an exempt aquifer at the time of sale. He said there are both NEPA and

CEQA documents that make these statements. I asked to see those. He asked if I could get a hold of the original DOE documents that stated that the Tulare was exempt. I told him I would look into it with DOE if I had a citation. There was be one in the NEPA or CEQA documents but either way i noted that DOE was not authorized to exempt aquifers. In any case it was interesting to know that they maintain that they had been sold the property with an exemption in place.

- we agreed to talk further after their meeting with the state tomorrow and after our further internal discussions to agree on the best strategy on how to proceed with the Class I exemption/permit. They realize their are public participation requirements and that it may be better to link the Class I exemption with the renewal permit rather than with the very large AE package for the field.

- I told them we would also be coordinating with the state on this but that the Class II exemption

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From: Bond, Bob A <Bob.Bond@crc.com>
Sent: Thursday, January 08, 2015 7:39 AM
To: Dermer, Michele
Cc: Pineda, Sonnie T
Subject: RE: Elk Hills Power Technical Review Letter

Good morning Michele,

Could you join us on a conference call at 10:30, rather than us calling you, please?

The call-in number is: **Ex. 6 - Personal Privacy**

Sorry for any inconvenience.

Thank you,

Bob

From: Dermer, Michele [mailto:Dermer.Michele@epa.gov]
Sent: Wednesday, January 07, 2015 1:36 PM
To: Bond, Bob A
Cc: Pineda, Sonnie T
Subject: RE: Elk Hills Power Technical Review Letter

Sure, tomorrow at 10:30 would be fine. Phone number below.

Michele Dermer

Drinking Water Protection Section

EPA Region 9

(415) 972-3417

Dermer.michele@epa.gov

From: Bond, Bob A [mailto:Bob.Bond@crc.com]
Sent: Wednesday, January 07, 2015 1:24 PM
To: Dermer, Michele
Cc: Pineda, Sonnie T
Subject: RE: Elk Hills Power Technical Review Letter

Hi Michele,

Would a call with Sonnie and I at 10:30 tomorrow morning work for your schedule? If that time does work, just let us know what number we can reach you at, and we will call you then.

Thank you,

Bob

From: Dermer, Michele [mailto:Dermer.Michele@epa.gov]
Sent: Wednesday, January 07, 2015 11:22 AM
To: Bond, Bob A; Pineda, Sonnie T

Subject: RE: Elk Hills Power Technical Review Letter

Hello Bob and Sonnie,

I would like to schedule a brief call to discuss your letter response, with either or both of you. Would you have time either tomorrow morning or Friday? Please let me know your availability.

Thanks!

Michele

From: Bond, Bob A [mailto:Bob.Bond@crc.com]
Sent: Friday, December 19, 2014 2:55 PM
To: Dermer, Michele
Cc: Pineda, Sonnie T
Subject: Elk Hills Power Technical Review Letter

Dear Ms. Dermer,

Please find attached our preliminary response to your recent letter. This is also being sent to Mr. Albright via US Mail.

If there are any questions or comments, please contact me or Sonnie Pineda.

Regards,

Bob

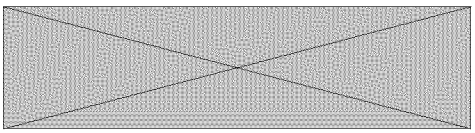
Bob Bond

Elk Hills Power Team Leader

Bob.Bond@CRC.com

661-765-1801 (office)

661-334-0957 (cell)



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