# DEPARTMENT OF CONSERVATION

*Managing California's Working Lands*

**Division of Oil, Gas, & Geothermal Resources**

801 K STREET • MS 20-20 • SACRAMENTO, CALIFORNIA 95814

**PHONE** 916 / 445-9686 • **FAX** 916 / 323-0424 • **TDD** 916 / 324-2555 • **WEB SITE** conservation.ca.gov


December 3, 2013

Carolyn Truong, Chief
Grants Management Section (MTS-7)
U.S. Environmental Protection Agency
75 Hawthorne Street
San Francisco, California 94105-3901

Subject: UIC GRANT APPLICATION FOR FY14 FOR GRANT NO: G-009216-14-0

Dear Ms. Truong:

Enclosed is the Department of Conservation's Division of Oil, Gas, and Geothermal Resources UIC Grant Application for Federal Fiscal Year 2014, in the amount of $809,333. This amount includes proposed federal grant allocations of $607,000 for federal fiscal year FY14 and state matching funds in the amount of $202,333.

If you have any questions, please feel free to contact Jerry Salera at (916) 323-1781 or at jsalera@conservation.ca.gov.

Sincerely,

Tim Kustic
State Oil and Gas Supervisor

Enclosures

cc: George Robin, U.S. EPA – UIC
Judy Morita-Joe, DOC Accounting Office
Maria Roverso, U.S. EPA - Budgets

# APPLICATION FOR FEDERAL ASSISTANCE

1. TYPE OF SUBMISSION

Application
- ☐ Construction
- ■ Non-Construction

Preapplication
- ☐ Construction
- ☐ Non Construction

2. Date Submitted

Applicant Identifier: **94 - 2270812**

3. Date Received

State Application Identifier

4. Date Received by Federal Agency

Federal Identifier: **G 009216 - 14 - 0**

5. Applicant Information

Legal Name: **Department of Conservation**

Organizational Unit: **Division of Oil, Gas, and Geothermal Resources**

Address (give city, county, state and zip code)
**801 K. Street, MS 20 – 20**
**Sacramento, CA 95814-3530**

Name and telephone number of the person to be contacted on matters involving this application (give area code.)
**Jerry Salera (916) 323-1781**

6. EMPLOYER IDENTIFICATION (EIN)
**94 - 2270812**

7. TYPE OF APPLICANT: (enter appropriate letter here) **A**
- A. State
- B. County
- C. Municipal
- D. Township
- E. Interstate
- F. Intermunicipal
- G. Special District
- H. Independent School District
- I. State Controlled Institution of Higher Learning
- J. Private University
- K. Indian Tribe
- L. Individual
- M. Profit Organization
- N. Other (Specify): _____

8. TYPE OF APPLICATION
☐ New ☐ **Continuation** ☐ Revision
If revision, enter appropriate letter(s) in box(es): ☐ ☐
A. Increase Award B. Decrease Award
C. Increase Duration D. Decrease Duration
Other Specify:

9. NAME OF FEDERAL AGENCY:
**U.S. ENVIRONMENTAL PROTECTION AGENCY**

10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: **6 6 . 4 3 3**

TITLE: **Underground Injection Control**

10. DESCRIPTIVE TITLE OF APPLICANT"S PROJECT:
**Underground Injection Control Program for Class II Well Injection**

**One Year Application FY14**

11. AREAS AFFECTED BY PROJECT (cities, counties, states, etc.):

13. PROPOSED PROJECT:

| Start Date | End Date |
|---|---|
| 10-1- 2013 | 9-30-2014 |

14. CONGRESSIONAL DISTRICT OF:

a. Applicant: **Department of Conservation Division of Oil, Gas, and Geothermal Resources**

b. Project: **Statewide**

15. Estimated Funding:

| | |
|---|---|
| a. Federal | $ 607,000 |
| b. Applicant | $ 202,333 |
| c. State | $ |
| d. Local | $ |
| e. Other | $ |
| f. Program Income | $ |
| g. TOTAL | $ 809,333 |

16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?

a. **YES.** THIS PREAPPLICATION/ APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:

DATE: 12-05-2013

b. NO
☐ PROGRAM IS NOT COVERED BY E.O. 12372
☐ OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW

17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?

☐ Yes If "Yes" attach an explanation. **X** No

18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT, THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.

a. Typed Name of Authorized Representative: **Tim Kustic**

b. Title: **State Oil and Gas Supervisor**

c. Telephone Number: **(916) 445-9686**

d. Signature of Authorized Representative: Tim Kustic

e. Date Signed: 12/3/13

Standard Form 424A (REV 4-88)

CALIFORNIA DIVISION OF OIL, GAS AND GEOTHERMAL RESOURCES
UNDERGROUND INJECTION CONTROL PROGRAM

# BUDGET JUSTIFICATION OF OBJECT CLASS CATEGORIES

**One Year Application**
**FY 14**

| | | | | |
|---|---|---|---|---|
| 1. | Personnel | | | *$ 380,639* |
| | Sr. OG Engr @ FY14 $116,619.75 | $ 116,620 | | |
| | Ass OG Engr @ FY14 $117,430.00 | $ 117,430 | | |
| | 2 EMRE Engr @ FY 14 $ 146,589.33 | $ 146,589 | | |
| 2. | Fringe Benefits FY14 $ 380,639 @ 35% | | | *$133,224* |
| 3. | Travel | | | *$ 26,000* |
| | *Out-of-State*: | | | |
| | National Meeting of GWPC | | $ 1,000 | |
| | *In-State*: | | | |
| | Injection Surveillance Committee Meetings: | | | |
| | Statewide 2xYear | | $ 3,000 | |
| | Surveillance/Enforcement/Environmental | | | |
| | Statewide | | $ 20,000 | |
| | GWPC Meeting | | $ 2,000 | |
| 4. | Equipment | | | *$ 0* |
| | | | $ 0 | |
| 5. | Supplies | | | *$ 0* |
| | Paper, copier maintenance, etc. | | $ 0 | |
| 6. | Contractual | | | *$ 0* |
| 7. | Other | | | *$ 43,399* |
| | Communications – telephone, telecopy, ATSS, interagency mail, repeater services, Mobile radio/base services, paging and answering machine services, highspeed line and e-permitting. | | $ 9,399 | |
| | Rent | | $ 10,000 | |
| | Association Fee (GWPC dues) | | $ 7,500 | |
| | Data Entry | | $ 0 | |
| | Training | | $ 15,000 | |
| | Chemical Analysis | | $ 1,500 | |
| 8. | Total Direct | | | *$ 583,261* |
| 9. | Indirect Charge – FY13 (38.76%) (most current Provisional Rate avail.) | | | *$ 226,072* |
| 10. | **Total** FY14 $ 809,333 | | | **$ 809,333** |

Fed $ 607,000
Sta $ 202,333

United State Environmental Protection Agency
Washington D.C. 20460

# Preaward Compliance Review Report for All Applicants Requesting Federal Financial Assistance

FORM Approved
OMB No.2090-0014
Expires 4-30-99

**Note:** Read instructions on reverse side before completing form.

| I. A. Applicant (Name, City, State) | B. Recipient (Name, City, State) | C. EPA Project No. |
|---|---|---|
| **Division of Oil, Gas, and Geothermal Resources**<br>**801 K Street, 20th Floor MS 20-20**<br>**Sacramento, CA 94814-3530** | Not Applicable | Federal Identifier No.<br>**G – 009216 14-2** |

II. Brief description of proposed project, program or activity.

Underground Injection Control Program for Class II wells. Operation and maintenance of the Class II Program. Activities include permitting, monitoring, surveillance, compliance, enforcement of laws and regulations for the operation of injection wells for oil and gas production.

III. Are any civil rights lawsuits or complaints pending against applicant and/or recipient?
If yes, list those complaints and the disposition of each complaint. __ Yes _X_ No

IV. Have any civil rights compliance reviews of the applicant and/or recipient been conducted by any Federal agency during the last two years prior to this application for activities which would receive EPA assistance? __Yes _X_ No
If yes, list those compliance reviews and status of each review.

V. Is any other Federal financial assistance being applied for or is any other Federal financial assistance being applied to any portion of this project, program or activity? __Yes _X_ No
If yes, list the other Federal Agency(s), describe the associate work and the dollar amount of assistance.

IV. If entire community under the applicant's jurisdiction is not served under the existing facilities/services, or will not be served under the proposed plan, give reasons why.

Not Applicable

| VII. Population Characteristics | Number of People |
|---|---|
| 1. A. Population of Entire Service Area | **N/A** |
| B. Minority Population of Entire Service Area | **N/A** |
| 2. A. Population Currently Being Served | **N/A** |
| B. Minority Population Currently Being Served | **N/A** |
| 3. A. Population to be served by Project | **N/A** |
| B. Minority Population to be Served by Project, Program or Activity | **N/A** |
| 4. A. Population to Remain Without Service | **N/A** |
| B. Minority Population to Remain Without Service | **N/A** |

VIII. Will all new facilities or alterations to existing facilities financed by these funds be designed and constructed to be readily accessible to and usable by handicapped persons? __Yes __No
If no, explain how a regulatory exception (40CFR7.70) applies. **Not Applicable**

IX. Give the schedule for future projects, programs or activities (or future plans), by which services will be provided to all beneficiaries within applicant's jurisdiction. If there is no schedule, explain why.

**Not Applicable**

X. I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law.

| A. Signature of Authorized Official | B. Title of Authorized Official | C. Date |
|---|---|---|
| Tim Kustic<br>**Tim Kustic** | **State Oil and Gas Supervisor** | 12/3/13 |

**For the U.S. Environmental Protection Agency**

| ___ Approved ___Disapproved | Authorized EPA Official | Date |
|---|---|---|
| | | |

EPA Form 4700-4 (Rev. 1/90) Previous editions are obsolete.

United States
Environmental Protection Agency

G 009216-14-0
EPA Project Control Number

# CERTIFICATION REGARDING LOBBYING

## CERTIFICATION FOR CONTRACTS, GRANTS, **LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31 U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Tim Kustic State Oil and Gas Supervisor

Typed Name & Title of Authorized Representative

Signature and Date of Authorized Representative

EPA Form 6600-06 (Rev. 06/2008) Previous editions are obsolete.

RECIPIENT CERTIFICATION
FOR RECIPIENTS OTHER THAN INDIVIDUALS

DRUG-FREE WORKPLACE ACT OF 1988

The Certification set forth below is a material representation of fact upon which reliance was placed when the Agency determined to award the assistance agreement. If it is later determined that the recipient knowingly rendered a false certification, or otherwise violated the requirements of the Drug-Free Workplace Act, the Agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.

A. The grantee certifies that it will provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing a drug-free abuse in the workplace;

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under that grant, the employee will - -

(1) Abide by the terms of the statement; and

(2) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;

(e) Notifying the Agency within ten days after receiving notice under subparagraph (d) (2) from an employee or otherwise receiving actual notice of such conviction;

(f) Taking one of the following actions, within 30 days of receiving notice under subparagraph (d) (2), with respect to any employee who is so convicted - -

(1) Taking appropriate personnel action against such an employee, up to and including termination; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

B. The grantee shall insert in the space provided below the site (s) for the performance of work done in connection with the specific grant:

Place of Performance:

| | |
|---|---|
| **Sacramento** | **801 K Street, MS-20, 18th & 20th Floor, Sacramento, CA 95814-3530.** |
| **Cypress** | **5816 Corporate Ave., Suite 200, Cypress, CA 90630-4731** |
| **Ventura** | **1000 South Hill Rd., Suite 116, Ventura, CA 93003-4458** |
| **Orcutt** | **195 S. Broadway, Suite 101, Orcutt, CA 93455-4655** |
| **Bakersfield** | **4800 Stockdale Hwy., Suite 417, Bakersfield, CA 93309-0279** |
| **Coalinga** | **466 North Fifth St., Coalinga, CA 93210-1793** |
| **Dist. 6** | **801 K Street, MS-22, 20th floor, Sacramento, CA 95814-3530** |

Tim Kustic 12/3/13

Signature **Tim Kustic** Date

**State Oil and Gas Supervisor**

INTERGOVERNMENTAL REVIEW FORM

1. APPLICANT NAME: **Department of Conservation**
**Division of Oil, Gas, and Geothermal Resources**

2. CATALOG OF FEDERAL DOMESTIC ASSISTANCE (see list below):

**66.433** **Underground Injection Control**
Title

3. IS THIS PROGRAM SUBJECT TO STATE INTERGOVERNMENTAL REVIEW PROCESS?

**X** YES _____ NO

4. APPLICATION/PREAPPLICATION/ NOTICE OF INTENT TO:
   a. State Agency on **N/A**
   Date

   b. Local Agency on **N/A**
   Date

5. THIS FORM COMPLETED BY: Tim Kustic 12/3/13
   Name **Tim Kustic** Date
   **State Oil and Gas Supervisor**

---

| CFDA Number | Program Title |
|---|---|
| 66.001 | Air Pollution Control Program |
| 66.418 | Construction Grants for Wastewater Treatment Works |
| 66.419 | Water Pollution Control-State & Interstate Program Grants |
| 66.454 | Water Quality Management Planning |
| 66.432 | State Public Water System Supervision-Program Grants |
| 66.433 | State Underground Water Source Protection-Program Grants |
| 66.438 | Construction Management Assistance |
| 66.801 | Hazardous Waste Management Financial Assistance to States |
| 66.600 | Environmental Protection Consolidated Grants-Program Support |
| 66.603 | Loan Guarantees for Construction of Treatment Works |
| 66.700 | Pesticides Enforcement Program Grants |
| 66.802 | Superfund Cooperative Agreements (Remedial Clean-up) |

# KEY PEOPLE LIST

Please show street address as well as Post Office Box Number where applicable.

## AGENCY DIRECTOR

(Individual who is authorized to sign the assistance agreement application and award acceptance).

Name: Tim Kustic
Title: State Oil and Gas Supervisor
Address: 801 K Street MS 20-20
Sacramento, California 95814-3530
Phone: (916) 445-9686 or (916) 322-1777 FAX (916) 323-0424
Email: Tim.Kustic@conservation.ca.gov

## PROGRAM DIRECTOR

(Technical program director: generally the same individual as the "contact person" in block #5 of the application.)

Name: Jerry Salera
Title: UIC Program Manager
Address: 801 K Street MS 20-20
Sacramento, California 95814-3530
Telephone: (916) 445-9686 or (916) 323-1781 FAX (916) 323-0424
Email: Jerry.Salera@conservation.ca.gov

## FINANCE DIRECTOR

Name: Judy Morita-Joe
Title: Accounting Administrator
Address: 801 K Street MS 22-15
Sacramento, California 95814
Telephone: (916) 322-4403 FAX (916) 445-0433
Email: Judy.Morita-Joe@conservation.ca.gov