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Gavin Newsom, Governor

California
Department of Conservation

California
Water Boards
State Water Resources Control Board
Regional Water Quality Control Boards

August 26, 2022

Tomás Torres
Director, Water Division
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
San Francisco, CA 94105-3901

CALIFORNIA'S MID-YEAR UPDATE ON 2022 EFFORT TO ADVANCE OUTSTANDING AQUIFER EXEMPTION PROPOSALS

Dear Mr. Torres:

This letter is a follow up to the December 28, 2021 letter to the U.S. Environmental Protection Agency, Region 9 (US EPA) regarding California's pace in fulfilling the obligations specified in its March 2015 Safe Drinking Water Act (SDWA) compliance plan.

The California Geologic Energy Management Division (CalGEM) and the State Water Resources Control Board (the State) acknowledged issues raised by the US EPA in its September 16, 2021 correspondence and made commitments in two follow up letters dated October 15 and December 28, 2021 to ensure progress on bringing California's UIC program into full compliance with the SDWA by completing the outstanding nine (of thirty) compliance-related aquifer exemption proposals and submitting them to US EPA.

With the December 28, 2021 letter, the State submitted timetables guiding its work in 2022 to make progress on its remaining aquifer exemption proposal packages. For the four aquifer exemption packages that do not require conduit analysis, the State committed to working diligently to have the outstanding packages submitted to US EPA by the end of 2022. The Lynch Canyon—Lanigan Sands and Sespe aquifer exemption proposal packages were submitted to the US EPA in September and October 2021 respectively. The State is compiling additional data in response to questions received from US EPA and is interacting with US EPA to return the Lynch Canyon—Lanigan Sands data package and anticipates returning the Sespe data package to the US EPA by the end of September 2022. Public hearings were held on April 12, 2022 and March 29, 2022 for the Lompoc and Holser aquifer exemption proposals, and the State is currently reviewing public comments received. For the Lompoc aquifer exemption proposal, the State's response to comments require technical analysis and may require additional time. The State is

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committed to continuing to move through the process diligently to stay as close to the September 30, 2022 submittal date as possible, and fully anticipates being able to submit to the US EPA before the end of the year. For the Holser aquifer exemption proposal, the State is tracking ahead of schedule and is hopeful to submit to US EPA prior to December 31, 2022.

For the remaining five aquifer exemptions in areas overlain by beneficial use aquifers, the State previously committed to completing its conduit analysis by September 30, 2022. The State has made significant progress on the conduit analysis evaluations and is on track to meet the time frame for all but one. On the outset of the conduit analysis effort, the Cat Canyon aquifer exemption conduit analysis was identified to be the most challenging attributable to encompassing over 400 wells owned by multiple operators, and the need for CalGEM to compile and complete the analysis internally for wells of inactive operators. Despite diligent efforts, the operator with the most wells has indicated additional time is required to submit all the requisite data to complete the conduit review. The State is exploring options to keep the Cat Canyon conduit analysis progressing forward as quickly as possible without compromising data quality and will continue to provide US EPA updates in our monthly meetings.

During the spring and early summer of 2022, CalGEM coordinated with operators of certain wells situated within the scope of the Oxnard and Mount Poso (Dorsey Area) aquifer exemption proposals to implement a regulatory suspension of injection into potential USDW zones (i.e., zones outside the understood boundaries of the already exempted portions of the formations). As of July 2022, CalGEM has confirmed that injection into these areas has ceased. With injection suspended in these two areas, the Oxnard and Mount Poso (Dorsey Area) aquifer exemption proposals are no longer within the subset of "compliance-related" aquifer exemption proposals. The State will continue to evaluate these aquifer exemption proposals for potential recommendation to the US EPA.

The State has begun and will continue to work closely with operators as the Midway Sunset, Kern River, and Cat Canyon conduit analyses conclude, and idle and plugged and abandoned wells classified as potential conduits (problem wells) are identified. Once the State has agreed on the list of problem wells, operators will be promptly required to submit remediation and monitoring plans with completion timelines for review. Problem wells in active injection areas will be required to be remediated or plugged and wells outside active injection areas may be monitored with higher risk wells requiring remediation or plugging on a case-by-case basis. Early discussions regarding remediation and/or monitoring plans for the in the Midway Sunset and Kern River aquifer exemption proposals are already underway. During the remediation and/or monitoring plan evaluation, the State will be exploring and utilizing existing regulatory tools, such as leveraging operator Idle Well Management Plans, to expedite timelines.

As previously detailed and committed to in the December 28 letter, the State will complete the conduit analysis evaluations and utilize the findings to provide an updated schedule on these packages to the US EPA by December 31, 2022. In our monthly

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meetings with the US EPA, the State will continue to provide status updates for the remaining aquifer exemptions in progress, including updates on individual remediation and monitoring plans as conduit analyses are completed.

Jonathan S. Bishop, Chief Deputy Director
for

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cc: Uduak-Joe Ntuk, State Oil and Gas Supervisor, CalGEM
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