DocuSign Envelope ID: 230461DB-196E-4FE7-B2BA-0804A3E35398

Gavin Newsom, Governor

California
Department of Conservation

California
Water Boards
STATE WATER RESOURCES CONTROL BOARD
REGIONAL WATER QUALITY CONTROL BOARDS

December 28, 2021

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

CALIFORNIA'S 2022 EFFORTS TO ADVANCE OUTSTANDING AQUIFER EXEMPTION PROPOSALS

Dear Mr. Torres:

This letter is a follow up to the October 15, 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.

In the October 15 letter, the California Geologic Energy Management Division 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 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. However, we also discussed that the State identified the need to conduct additional well integrity evaluations (conduit analysis) and remediate potential fluid conduits within each proposed aquifer exemption area that is overlain by beneficial use groundwater aquifers before submitting these packages to US EPA for review.

In that letter, the State committed to working toward submitting the three aquifer exemption proposal packages that do not require conduit analysis[1] to the US EPA by September 30, 2022. For the remaining six aquifer exemptions in areas where a conduit analysis is needed, the State committed to completing its conduit analysis in those

[1] The Lynch Canyon—Lanigan Sands, Sespe, and Lompoc aquifer exemption proposals do not have overlying beneficial use aquifers and, as such, do not require conduit analysis.

ED_013796_00001184-00001

DocuSign Envelope ID: 230461DB-196E-4FE7-B2BA-0804A3E35398

areas by September 30, 2022. The State also committed to providing an updated schedule for completing all remaining packages as soon as the conduit analysis scoping is complete, but no later than December 31, 2021.

This letter serves as an update on the work accomplished since our October 2021 letter and to provide anticipated progress for the remaining aquifer exemption packages. On November 11, 2021, the State transmitted the Sespe aquifer exemption package to US EPA. The State has also made significant progress finalizing the scope of the conduit analysis evaluation, including establishing an aggressive schedule to complete the evaluations for each aquifer exemption proposal by September 2022. CalGEM has begun working with applicant operators to collect the necessary data to perform the analysis and has begun the conduit analysis evaluation for those for which the State has received the requisite data.

The State has also developed updated timetables guiding its work in 2022 to make progress on its remaining aquifer exemption packages. For the aquifer exemption packages that do not require conduit analysis, the State will work diligently to have the outstanding packages submitted to US EPA by the end of 2022, as detailed in Attachment A. The Lynch Canyon—Lanigan Sands and Sespe aquifer exemption packages have both been submitted to the US EPA. The Lompoc package is expected to be submitted by September 30, 2022. Based on early conduit analysis data collection, the State has also determined a conduit analysis is not necessary for the Holser aquifer exemption package; the State believes this package can be submitted to US EPA by December 31, 2022.

For the five remaining aquifer exemption packages that require conduit analysis, the State is on track to complete the conduit analysis evaluation by September 30, 2022. As detailed in Attachment B, the conduit evaluation process requires collecting the data from operators and performing the State's review, which will result in the identification of problematic wells that may require remediation. Given conduit analysis evaluation and well remediation have not historically been performed as part of the State review of aquifer exemption applications, there are many unknowns surrounding the number and nature of problem wells that may be identified, and the associated timeframes to address these wells. As such, until the conduit analysis evaluations are complete and the problem wells identified, the State cannot confidently provide a timeline for submission of the aquifer exemption proposals found in Attachment B to US EPA. To provide the US EPA with a realistic estimate of timing for these aquifer exemption packages, 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. The State will continue to provide status updates on all remaining aquifer exemption progress in our monthly meetings with the US EPA.

ED_013796_00001184-00002

DocuSign Envelope ID: 230461DB-196E-4FE7-B2BA-0804A3E35398

December 28, 2021

California appreciates its engagement with the US EPA as we work to protect California's drinking water aquifers and return the Class II Underground Injection Control program to full compliance with the SDWA.

DocuSigned by:
8A095DFA285645A...

David Shabazian, Director
Department of Conservation

DocuSigned by:
C70ADF4802A74E3...

Eileen Sobeck, Executive Director
State Water Resources Control Board

Cc: Uduak-Joe Ntuk, State Oil and Gas Supervisor, CalGEM
Matt Baker, Deputy Secretary for Energy, California Natural Resources Agency
Wade Crowfoot, Secretary, California Natural Resources Agency
Jared Blumenfeld, Secretary, California Environmental Protection Agency
Jonathan Bishop, Chief Deputy Director, SWRCB

ED_013796_00001184-00003