

State of California
Natural Resources Agency / Department of Conservation
GEOLOGIC ENERGY MANAGEMENT DIVISION

California Environmental Quality Act Notice of Exemption

To: Office of Land Use and Climate Innovation
State Clearinghouse
1400 Tenth Street, Room 113
Sacramento, CA 95814

From: Department of Conservation
715 P Street, MS 1803
Sacramento, CA 95814
Contact: CEQA@conservation.ca.gov

Project Title: 661824_HWOC_OG

Project Applicant: Holmes Western Oil Corporation (H5200)

Project Location: Kern, Midway-Sunset; Section 21, T11N/R23W/SB B&M
(Lat: 35.02944183, Long: -119.33951569)

Project Description: Holmes Western Oil Corporation (HWOC) proposes to convert existing O&G well Santiago Creek Unit K-7 into a temperature observation well in the lower Tulare. Construction related activities are not required. All equipment will be contained within existing facilities and there will be no expansion of existing former use. Temporary equipment needed for the project includes a production rig, rig pump, cement truck, bins, and a storage tank. Vehicles needed to transport personnel, deliver supplies and materials, and transport waste will also visit the project site. Any waste materials will be properly disposed of in accordance with all applicable laws and regulations. Reworking the well will require the use of 25 bbls (787.5 gallons) of produced water and 31 bbls (976 gallons) of fresh water to mix the cement. Produced water will come from their Santiago Creek Unit Production Facility, approximately 0.61 miles from the well location. Fresh water will be provided by the cementing service company. The produced water will be transported to the project location by vacuum truck.

The project site is located on property operated by HWOC in Kern County. The surrounding land use consists of developed oil and gas leases on relatively flat, open area and 100% disturbed. There are no sensitive receptors within 3200 ft of the project site.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving 1 permit for Holmes Western to convert existing O&G well Santiago Creek Unit K-7 into a temperature observation well listed below, in the Midway-Sunset Oil Field.

WellSTAR Form ID	API #	Well Name
661824	0402963437	Santiago Creek Unit K-7

Exempt Status: As the Lead Agency, CalGEM has determined that the proposed project is exempt from full environmental review requirements of the California Environmental Quality Act (CEQA), pursuant to the specified exemptions marked in the section below. CalGEM 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 application of the exemptions apply (14 CCR § 15300.2).

Exemption Type		Statute (PRC)	Regulation (14 CCR)	
<input type="checkbox"/>	Statutory Exemption:			
	<input type="checkbox"/> Ongoing Project (<i>pre-CEQA approval on April 5, 1973</i>)	21169	15261 (b)	
	<input type="checkbox"/> Ministerial	21080 (b)(1)	15268	
	<input type="checkbox"/> Declared Emergency	21080 (b)(3)	15269 (a)	
	<input type="checkbox"/> Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
<input checked="" type="checkbox"/>	Categorical Exemption:	21084		
	<input checked="" type="checkbox"/> Class 1: Existing Facilities		15301	1684.1
	<input type="checkbox"/> Class 2: Replacement or Reconstruction		15302	
	<input type="checkbox"/> Class 3: New Construction/Conversion of Small Structures		15303	
	<input checked="" type="checkbox"/> Class 4: Minor Alterations to Land		15304	1684.2
	<input type="checkbox"/> Class 7: Protection of Natural Resources		15307	
	<input type="checkbox"/> Class 8: Protection of the Environment		15308	
	<input type="checkbox"/> Class 11: Accessory Structures		15311	
	<input type="checkbox"/> Class 21: Enforcement Actions to revoke a permit		15321	
	<input type="checkbox"/> Class 30: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
	<input type="checkbox"/> Class 33: Small Habitat Restoration Projects		15333	
<input type="checkbox"/>	General Exemption (“common sense”)		15061 (b)(3)	
<input type="checkbox"/>	Not a “Project” subject to CEQA		15378 (b)(2)	

CEQA Exceptions to the Exemptions (14 CCR § 15300.2): 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 CalGEM's determination that the project is exempt from the requirements of CEQA is provided in the brief explanation below.

Class 1, Existing Facilities (14 CCR §§ 15301, 1684.1): The "Class 1" (14 CCR § 15301) exemption is applicable per the CEQA Guidelines and CalGEM's regulations (14 CCR § 1684.1) because the proposed work consists of repair, maintenance, or minor alteration of a previously permitted well involving no expansion of former use. The Class includes, but is not limited to remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells. The proposed rework activity has been deemed negligible because a district engineer has confirmed that converting to temperature observation well will require less servicing and maintenance and without any way to increase capacity. These are negligible changes would not result in significant impacts to surface or subsurface conditions. The converted well will have substantially less wells would maintain their existing well type and the use of the wells would remain the same as before.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 exemption applies. The proposed project "consists of drilling operations that result in only minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation." The proposed project involves converting one oil and gas well production well into a temperature observation well. The proposed drill activities and associated temporary equipment will be contained within the existing well pad. The proposed activities will not expand the well pad, existing roads, staging area, and pipelines. There will be no construction of new production facilities and no new grading. As a result, there will be no new ground disturbances. There are no expected impacts on biological resources. The proposed project area is surrounded by land use consistent with industrial facilities on a densely developed oil field, with leases on relatively flat, open area and 100% disturbed.

Exceptions to Exemptions: CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2) referenced above. For example, there is no substantial evidence that there are any "unusual circumstances" associated with the proposed project that creates a reasonable possibility that the activities will have a significant effect on the environment, and that there are no significant "cumulative impacts" resulting from successive projects of the same type in the same place. Therefore, reliance on the exemptions is appropriate.

A copy of this Notice of Exemption (as required by 14 CCR § 15062(a)) and all other related materials are available for public inspection at CalGEM's CEQA Program Office, located at 715 P Street, MS 1803, Sacramento, CA 95814; or an electronic copy of these documents may also be accessed online at the State Clearinghouse: <https://ceqanet.opr.ca.gov>.

Certified: Ray Mullins

Date: 7/2/25

Department of Conservation,
Geologic Energy Management Division

