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

California Environmental Quality Act
Notice of Exemption

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

From: Department of Conservation
195 S. Broadway, suite 101
Orcutt, CA 93455
Contact: CalGEMNorthern@conservation.ca.gov

Project Title: 486363_Sentinel Peak Resources_UIC

Project Applicant: Sentinel Peak Resources

Project Location: San Luis Obispo County Section 31, Township 31S, Range 13E Arroyo Grande Oil Field UIC Project # 02806002

Project Description: Work involves cementing an inner casing string to cover a casing hole. The estimated duration of this project is 5 days per well with 10-hour operations from 7:00AM to 6:00PM. The work will be completed in the Fall/Winter/Spring. Work will occur on an existing well pad and will be accessed by existing roadways. There will be no surface disturbance and no change in the utilization of the underground resource. No expansion or new facilities will be required. Electricity will be supplied by the existing infrastructure. The production will be stored, treated, and transported utilizing existing facilities.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving 2 permits for Sentinel Peak Resources to rework the wells listed below, in the Arroyo Grande Oil Field.

API #	Well Name
079-21280	Hyla 16 SPNR
079-21268	Rock 12L R

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).

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Exemption Type		Statute (PRC)	Regulation (14 CCR)	
☐	**Statutory Exemption:**			
	☐ Ongoing Project (*pre-CEQA approval on April 5, 1973*)	21169	15261 (b)	
	☐ Ministerial	21080 (b)(1)	15268	
	☐ Declared Emergency	21080 (b)(3)	15269 (a)	
	☐ Emergency Projects	21080 (b)(4)	15269 (b) or (c)	
☑	**Categorical Exemption:**	21084		
	☑ **Class 1**: Existing Facilities		15301	1684.1
	☑ **Class 2**: Replacement or Reconstruction		15302	
	☐ **Class 3**: New Construction/Conversion of Small Structures		15303	
	☑ **Class 4:** Minor Alterations to Land		15304	1684.2
	☑ **Class 7**: Protection of Natural Resources		15307	
	☑ **Class 8**: Protection of the Environment		15308	
	☐ **Class 11:** Accessory Structures		15311	
	☐ **Class 21**: Enforcement Actions to revoke a permit		15321	
	☐ **Class 30**: Minor Actions to Prevent, Minimize, Stabilize, Mitigate, or Eliminate a Release (Actual or Threat) of Hazardous Substances (Waste or Material)		15330	
	☐ **Class 33**: Small Habitat Restoration Projects		15333	
☐	**General Exemption** ("common sense")		15061 (b)(3)	
☐	**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):
Class 1 consists of the "operation, repair, maintenance, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features involving negligible or no expansion of use beyond that existing previously." This includes "remedial, maintenance, conversion, and abandonment work on oil, gas, injection, and geothermal wells involving the alteration of well casing, such as perforating and casing repair, removal, or replacement; installation or removal of downhole production or injection equipment, cement plugs, bridge plugs, and packers set to isolate production or injection intervals." (14 CCR § 1684.1.) The proposed project would make minor alterations to the well(s), resulting in negligible expansion of use beyond that existing previously. The proposed project and related permit approval is consistent with the laws

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that govern the operations, including statutory and regulatory provisions that protect public health, safety, and the environment.

Class 2, Replacement or Reconstruction (14 CCR § 15302):
Class 2 consists of the "replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced[.]" (14 CCR § 15302.) The proposed project would reconstruct the casing and wellbore(s) of existing wells. The work would take place on the existing wellbore(s) and well pads. The proposed work involves negligible change in use of the wells. The proposed project and related permit approval is consistent with the laws that govern the operations, including statutory and regulatory provisions that protect public health, safety, and the environment.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2):
Class 4 consists of "drilling operations that result only in minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation." (14 CCR § 1684.2; see also 14 CCR § 15304.) The proposed project involves negligible or no vegetation removal, expansion of the existing well pads, and ground disturbance. Therefore, there would be no surface disturbance related activities that would significantly disturb the surrounding environment. The proposed project and related permit approval is consistent with the laws that govern the operations, including statutory and regulatory provisions that protect public health, safety, and the environment.

Classes 7 and 8, Actions by Regulatory Agencies for Protection of Natural Resources and the Environment (14 CCR §§ 15307, 15308):
Class 7 and Class 8 exemptions apply. The exemptions are for actions taken by regulatory agencies as authorized by law to assure the maintenance, restoration, enhancement, or protection of a natural resource or the environment where the regulatory process involves procedures for the protection of the environment." As demonstrated in the record, the proposed project involves remedial/rework operations to address well integrity issues that requires swift action for protection of a natural resource and the environment.

Exceptions to Exemptions: CalGEM further finds that there are no exceptions to the application of the categorical exemptions (PRC § 21084; 14 CCR § 15300.2 (c)) referenced above. There is no substantial evidence that there are any "unusual circumstances" associated with the proposed project that create a reasonable possibility that the activity will have a significant effect on the environment. The approved project is within a Health Protection Zone (HPZ) as defined by Public Resources Code (PRC) section 3280(b). The HPZ does not present an unusual circumstance because SB 1137 (PRC § 3280 et seq.) requires all oil or gas production facilities or wells with a wellhead within an HPZ to comply with specified health, safety, and environmental requirements. In addition, CalGEM further finds that there are no significant "cumulative impacts" resulting from successive projects of the same type in the same place. Therefore, reliance on the exemption(s) is appropriate.

A copy of this NOE (as required by 14 CCR § 15062(a)) and all other related materials can be made available to the public by contacting the CalGEM Orcutt office, located

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at 195 S. Broadway, Suite 101, Orcutt, CA 93455; by calling (805) 937-7246; or an electronic copy of these documents may be requested by contacting District CalGEMNorthern@conservation.ca.gov. The notice filed with the State Clearinghouse may be accessed online at: https://ceqanet.opr.ca.gov

Certified: Bryan Norman **Date:** 8/7/2025

Department of Conservation,
Geologic Energy Management Division