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

From: Department of Conservation
11000 River Run Boulevard
Bakersfield CA 93311
Contact: CalGEMCentral@conservation.ca.gov

Project Title: 747842_Group_Aera_OG

Project Applicant: Aera Energy LLC (Aera)

Project Location: Kern County, Lost Hills; Sec. 18, Twn. 26S, Rng. 21E, Base MD; Latitude: 35.6687126, Longitude: -119.7607650

Project Description: Aera proposes to rework a total of three existing oil and gas wells in the existing and heavily developed Lost Hills Oil Field to continue oil and gas resource development. The project proposes to install a new inner production liner and gravel pack it in place and as a contingency, install an inner casing string if needed, following a MIT1. Return the well to production upon completion within the same completion zone.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) approving three permits for Aera to rework the wells listed below, in the Lost Hills Oil Field.

API #	Well Name
0403062723	Lost Hills Govt. G4225R-18
0403038646	Lost Hills Govt. 4218
0403032326	Lost Hills Govt. 4149

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): 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 an existing 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 well would maintain its existing well type and the use of the well would remain the same as before.

Class 2, Replacement or Reconstruction (14 CCR § 15302): Class 2 applies because it consists of "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[.]" Examples of

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Class 2 include, but are not limited to, "Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity." The proposed project is the sidetrack, or replacement, of the existing wellbore which is needed to address well integrity issues. The sidetracked well will be located on the same site and would have substantially the same purpose and capacity as the well did before the sidetrack. Additionally, no additional construction will occur.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 exemption applies. The proposed project would be conducted entirely on an existing pad with enough space to contain all equipment. The project would not disturb any undisturbed areas. The proposed project is located within an industrial area. Therefore, 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 sidetrack would not expand the facility.

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 sidetrack involves remedial/rework 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) referenced above. For example, 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, 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 District office, located at 11000 River Run Boulevard, Bakersfield CA 93311; or an electronic copy of these documents may also be accessed online at the State Clearinghouse: https://ceqanet.opr.ca.gov.

Certified: Ghebretinsae Sequar **Date:** 10/24/2025

Department of Conservation,
Geologic Energy Management Division