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: 419113_150-00-0003_HWOC_UIC

Project Applicant: Holmes Western Oil Corporation

Project Location: Fresno, Coalinga; 08/21S/15E/MD; 36.12134171 / -120.36741638

Project Description: This document is a reassessment following a procedural change as a result of the Sunflower Opinion. On September 6, 2024, the appellate court in *Sunflower* stated that CalGEM can use the Class 1 exemption (existing facilities) for new Project Approval Letters and conversions. Holmes Western Oil Corporation (the Operator) has submitted a new UIC project to convert six oil and gas production wells into waterflood injection wells. The new UIC application will cover the injection uses of the six newly converted injection wells. The proposed injectors would inject into the historically productive and aquifer-exempted Miocene-aged Temblor Formation. And the proposed new UIC application involves an Administrative Well Type Change in WellSTAR, updating six wells in total classifications from oil and gas to injection. The conversion will result in no physical modifications to the wellbore. Therefore, no Notice of Intents (NOIs) for all six proposed wells will be submitted.

The proposed project consists of Holmes Western Oil Corporation seeking the issuance of one new project approval letter (PAL) by the California Department of Conservation, Geologic Energy Management Division (CalGEM) for UIC project No. 150-00-0003, located within the Coalinga Oil Field. The wells listed below would be associated with the UIC project.

API #	Well Name
0401925041	Sec 8 1-8
0401925259	Sec 8 2-2

0401924865	Sec 8 2-4
0401924866	Sec 8 2-6
0401925040	Sec 8 2-9
0401924686	Sec 8 3-6

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)	
☐	**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)	

Exemption Type	Statute (PRC)	Regulation (14 CCR)
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 applies to the "operation, repair, maintenance, or minor alteration" of existing facilities involving "negligible or no expansion of use beyond that existing previously" (§ 1684.1). The proposed project involves converting six production wells into injection wells. The Central Valley Regional Water Quality Control Board reviewed the project for potential groundwater impacts and issued a No Objection letter on July 10, 2024. And a district engineer determined that the proposed activities are negligible since converting the wells to injection use will require the same servicing and maintenance. Additionally, the conversion work does not necessitate permanent casing alterations that would require the submission CalGEM Notice of Intents (NOIs) for reworks. These changes are minor and will not result in significant impacts to surface or subsurface conditions. Therefore, the conversions are considered a negligible change in use.

Class 4, Minor Alterations to Land (14 CCR §§ 15304, 1684.2): Class 4 applies because the project consists of "minor alterations with negligible or no permanent effects to the existing condition of the land, water, air, and/or vegetation" (14 CCR § 1684.2). The proposed project would convert six existing oil and gas production wells to injection wells; however, these conversions will not require mechanical changes to the casing. The proposed project work would take place on existing well pads which are large enough to accommodate the necessary equipment and can be accessed by existing roads. There will be no construction of new permanent facilities, nor will there be any expansion of the associated facilities. As a result, there will be no significant ground disturbance that could affect biological resources or their habitats.

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 NOE (as required by 14 CCR § 15062(a)) and all other related materials can be made available to the public by contacting the CalGEM CEQA Program, located at 715 P Street, MS 1803, Sacramento, CA 95814; by calling (916) 445-9686; or

an electronic copy of these documents may be requested by contacting CEQA@conservation.ca.gov. The notice filed with the State Clearinghouse may be accessed online at: https://ceqanet.lci.ca.gov

Certified: Eva Arrieta **Date:** 11/19/2025

Department of Conservation,
Geologic Energy Management Division