



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: 261541_ HWOC_57812002_UIC

Project Applicant: Holmes Western Oil Corporation (HWOC)

Project Location: Kings County, Pyramid Hills Oil Field; Section 7, Township 24S, Range 18E, Base MD; lat: 35.85103226, long: -120.06428528

Project Description: HWOC proposes to modify existing waterflood underground injection control (UIC) project No. 57812002 by converting two existing oil and gas production wells to waterflood injection. The well conversions will not require alteration of the well casing. This project will utilize existing roads, power lines, and facilities. Existing group lines will be utilized, with tie-ins to the proposed injection wells at the wellhead. There will be no expansion of existing facilities.

The proposed project consists of the California Department of Conservation, Geologic Energy Management Division (CalGEM) issuing one revised project approval letter (PAL) to HWOC for the modification of UIC project No. 57812002, located within the Pyramid Hills Oil Field in Kings County. The injection wells that would be associated with the modified UIC project are listed below.

API #	Well Name
0403120381	Davis-Smith 2-11
0403120405	Davis-Smith 2-14

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 6: Information Collection		15306	
	<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)	
<p>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.</p>				



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 project is categorically exempt from CEQA under the "Class 1" (14 CCR § 15301) exemption per the CEQA Guidelines because the proposed project is a repair or minor alteration of existing facilities and will not involve an expansion of use of the oil field, and therefore is exempt from the need for full CEQA review. The proposed project and related approval are contingent upon CalGEM's and the Water Board's technical reviews and demonstration that injected fluid will be confined to the approved injection zone prior to approval. *Sunflower Alliance v California Department of Conservation* (2024) 104 Cal.App.5th 1135 determined that CalGEM can use the Class 1 exemption (existing facilities) for new or modified Project Approval Letters and conversions. CalGEM has determined that none of the exceptions to categorical exemptions apply because approved injection is already occurring, existing infrastructure will be utilized, and there will be negligible new ground disturbance.

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 proposed project would not expand the existing facilities.

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 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

