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

California Environmental Quality Act

Notice of Determination

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

County Clerk of Kern County
1115 Truxtun Avenue
Bakersfield, CA 93301

From: Department of Conservation
Geologic Energy Management Division
715 P Street, MS 1803
Sacramento, CA 95814

Contact: CEQA@conservation.ca.gov

Lead Agency:

CEQA
California Department of Conservation
Geologic Energy Management Division
715 P Street, MS 1803
Sacramento, CA 95814
Contact: CEQA@conservation.ca.gov
(916) 445-9686

NEPA
U.S. Department of the Interior – Region 9
Bureau of Land Management - California
Central California District
Bakersfield Field Office
35126 McMurtrey Avenue
Bakersfield, CA 93308
Contact: BLM_CA_WEB_BK@blm.gov
(661) 391-6000

State Clearinghouse #: 2026060975

Lead Agency Project Title: DOI-BLM-CA-C060-2024-0060-EA; Date Adopted: 12/18/2024

CalGEM Project Title: Holmes Western Oil Corporation, Midway-Sunset Oil Field (USL-17 Lease), CalGEM PFID 755250

Project Applicant: Holmes Western Oil Corporation

Project Location: Midway-Sunset Oil Field; Section 17, Township 11N, Range 23W/SBB&M; 35.03557553, -119.35137212

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County: Kern County

Project Description: Holmes Western Oil Corporation (Holmes Western) proposes to drill ten new oil & gas production wells in the Midway-Sunset Oil Field in Kern County. The proposed project would use existing well pads that are located on disturbed sites with existing access roads. The project area directly impacted by drilling each new well will occupy a temporary use area of approximately 100 x 200 feet (0.5 acres). Five existing well pads would be used for the ten new production wells. The project would take place on public lands containing BLM administered mineral estate, with a total project footprint equal to 2.82 acres. Drilling is expected to take approximately four days per well. A production rig will be used to complete the wells. Temporary equipment such as pumps and return bins will be needed. No permanent facilities will be constructed, and no expansion of associated facilities will be required. Waste materials will be properly disposed of as non-hazardous or hazardous waste, as appropriate, at a facility licensed to accept the waste.

In accordance with the California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.), the CEQA Guidelines (Cal. Code Regs., tit. 14, § 15000 et seq.), and the National Environmental Policy Act (NEPA), CalGEM is the CEQA Lead Agency for the proposed project, while the BLM is the NEPA Lead Agency. CalGEM received a comment letter during the public review period of the circulation of the NEPA documents and responded to comments received. The finalized "CalGEM Public Comment Summary and Response Document" is included as Attachment 1 to this Notice of Determination. CalGEM has reviewed the approved Environmental Assessment (EA)/Finding of No Significant Impact (FONSI) (DOI-BLM-CA-C060-2024-0060-EA) and finds that it meets the requirements of CEQA when combined with the actions taken by CalGEM to comply with CEQA public circulation and Tribal consultation requirements. BLM found that the project will not have a significant effect on the environment; therefore, CalGEM intends to use the FONSI rather than preparing a Negative Declaration (ND) for this project.

The project activity(s) being permitted by CalGEM are within the scope of DOI-BLM-CA-C060-2024-0060. CalGEM, as the CEQA Lead Agency, approved permit(s) for Holmes Western to drill the wells listed below, in the Midway-Sunset Oil Field in Kern County.

Project Well(s):

- Govt/USL-117 143, API #0403070323, 35.03571050, -119.35220577
- Govt/USL-117 146, API #0403070324, 35.03567000, -119.35313581
- Govt/USL-117 147, API #0403070326, 35.03574287, -119.35262148
- Govt/USL-117 148, API #0403070325, 35.03571424, -119.35228922
- Govt/USL-117 149, API #0403070321, 35.03558848, -119.35153841
- Govt/USL-117 151, API #0403070322, 35.03557553, -119.35137212
- Govt/USL-117 152, API #0403070317, 35.03541932, -119.35044092
- Govt/USL-117 153, API #0403070319, 35.03540203, -119.35027522
- Govt/USL-117 154, API #0403070320, 35.03521265, -119.34955547
- Govt/USL-117 155, API #0403070318, 35.03519535, -119.34938977

https://www.conservation.ca.gov/calgem/Pages/Wellfinder.aspx

This Notice of Determination (NOD) is to advise that the Geologic Energy Management Division (CalGEM), as the Lead Agency under CEQA, has approved the above-described project on

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9/1/2026. Pursuant to the provisions of CEQA, an environmental document was prepared by the Lead Agency for the project, and has made the following determinations:

1. **Environmental Impacts** from the project will
   ☐ Have a significant effect on the environment
   ☒ Not have a significant effect on the environment
2. **Environmental Document** prepared for this project, pursuant to the provisions of CEQA:
   ☐ Environmental Impact Report (EIR)
   ☐ Mitigated Negative Declaration (MND)
   ☐ Negative Declaration (ND)
   ☒ Finding of No Significant Impact (FONSI), in place of ND/MND
   ☐ Environmental Impact Statement (EIS), in place of EIR
   ☐ Joint Document: ☐ EIS/EIR ☐ FONSI/ND
3. **Mitigation Measures** were
   ☐ Made a condition of approval of the project
   ☒ Not made a condition of approval of the project
4. **Mitigation Monitoring and Reporting Plan** (MMRP) was
   ☐ Adopted for this project
   ☒ Not adopted for this project
5. **Statement of Overriding Considerations** was
   ☐ Adopted for this project
   ☒ Not adopted for this project
6. **Findings** were
   ☐ Made for this project, pursuant to the provisions of CEQA (Cal. Code Regs., tit. 14, § 15091)
   ☒ Not made for this project, pursuant to the provisions of CEQA (Cal. Code Regs., tit. 14, § 15091)

California's Senate Bill 1137 (SB 1137): CalGEM has reviewed the Project Applicant's statement and all other relevant information and whether each feature identified is a sensitive receptor. CalGEM verified that the subject locations of the notices of intention are not within a Health Protection Zone (HPZ).

California's Senate Bill 237 (SB 237): CalGEM has reviewed the Project Applicant's statement and all other relevant information and whether the project would be eligible for Kern County's oil and gas streamlined permitting process. CalGEM verified the project location and determined that SB 237 is not applicable. CalGEM's analysis found that the project is within BLM's surface and mineral ownership, which falls outside of the scope of Kern County's Second Supplemental Recirculated Environmental Impact Report (SSREIR).

A copy of the environmental document and associated documents prepared by BLM, including the Environmental Assessment (EA), Finding of No Significant Impact (FONSI), Decision Record (DR), and all other related documents, can be made available to the public by contacting the CalGEM CEQA Program located at: 715 P Street, MS 1803, Sacramento, CA 95814-3530; by calling (916) 445-9686; or an electronic copy of these documents may be accessed online at the CalGEM CEQA public

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website: https://www.conservation.ca.gov/calgem/CEQA or may be requested by contacting CEQA@conservation.ca.gov with subject line [755250_Group_HWOC_OG_UIC]. A copy of this NOD may also be accessed online at the State Clearinghouse: https://ceqanet.lci.ca.gov/

The approved NEPA documents including the EA, FONSI, DR, and any supporting documents are available for review on BLM's website at: https://eplanning.blm.gov/

Certified: Signed by: Daisy Duenas 1858369A0B794D3... **Date:** 9/1/2026

Senior Environmental Scientist Supervisor
California Geologic Energy Management Division
CEQA Program

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Attachment 1 –
CalGEM Public Comment Summary and Response Document

Holmes Western Oil Corporation, Midway-Sunset Oil Field (USL-17 Lease), CalGEM PFID 755250

PUBLIC COMMENT SUMMARY AND RESPONSE
Public Comment Period: June 29, 2026 – July 28, 2026

This document provides CalGEM's responses to public comments made regarding the Holmes Western Oil Corporation, Midway-Sunset Oil Field (USL-17 Lease), CalGEM PFID 755250 project. The public review period was June 29, 2026, through July 28, 2026. The California Geologic Energy Management Division (CalGEM) received one public comment letter via email and certified mail.

To facilitate reviewing and responding to comments, CalGEM divided the comment letter into sections based on issue or topic and sequentially assigned a number to each section. For each response, CalGEM identifies the applicable comment section number and the corresponding page number(s) in the comment letter. CalGEM also summarizes the comment for context.

CalGEM uses the following acronyms in this response document:

BLM	Bureau of Land Management
CalGEM	California Department of Conservation, Geologic Energy Management Division
CARB	California Air Resources Board
CDB	Center for Biological Diversity
CEQA	California Environmental Quality Act
EA	Environmental Assessment
EJ	Earthjustice
FONSI	Finding of No Significant Impact
GHG	Greenhouse Gases
Holmes Western	Holmes Western Oil Corporation
HPZ	Health Protection Zone
NEPA	National Environmental Policy Act
SJVAPCD	San Joaquin Valley Air Pollution Control District
§	Section

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Comment Letter: July 23, 2026, Center for Biological Diversity (CBD) and Earthjustice (EJ)

Comment # Comment Page #	Issue or Topic Comment Summary	Response
CBD/EJ 1-1 Pgs. 2–3	Senate Bill 1137 CBD & EJ contend that all of Holmes Western Oil Corporation's (Holmes Western's) permit applications for this proposed project appear to violate the setback requirements in Senate Bill 1137.	Except under specified conditions, Senate Bill 1137 (Gonzalez and Limon, 2022) prohibits the issuance of oil and gas permits and the construction and operation of new production facilities within a Health Protection Zone (HPZ). An HPZ is defined by the presence of residences, businesses open to the public, and other sensitive receptors. The California Geologic Energy Management Division (CalGEM) reviews all permit applications to ensure compliance with applicable laws and regulations and will only approve permits that meet all statutory and regulatory requirements. Upon receipt of Notices of Intention (NOIs) from operators, CalGEM district offices conduct reviews to determine whether proposed permits comply with HPZ requirements. These reviews are conducted separately from CalGEM's California Environmental Quality Act (CEQA) review of environmental documents. Environmental documents do not approve permits; rather, they represent one component of the broader analysis and decision-making process conducted by CalGEM as part of its overall permit review. Accordingly, comments regarding compliance with HPZ requirements are outside the scope of the CEQA review of the NEPA EA/FONSI (DOI-BLM-CA-C060-2024-0060-EA) for the project. Notwithstanding, CalGEM district staff have determined that the subject locations are not within a HPZ based on review of the following evidence: GIS analysis of property locations to HPZ boundaries, statements provided by Holmes Western, and onsite inspections conducted at Holmes Western properties. On July 23, 2026, CalGEM conducted site visits to the Assessor's Parcel Numbers in question (239162423 and

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Comment # Comment Page #	Issue or Topic Comment Summary	Response
		239162498) and verified that they no longer contain single family homes and are no longer used as residences.
CBD/EJ 1-2 Pgs. 3–5	BLM's public participation process CBD & EJ contend that BLM's permit review process under NEPA and the Clean Air Act has been inadequate in that BLM fails to provide options for public participation in its drilling permit decisions.	CalGEM's analysis found that the NEPA EA/FONSI did not fully meet CEQA requirements for document circulation. NEPA documents must have been noticed at the same level at which the equivalent CEQA document would be noticed in order for an agency to use a NEPA document in lieu of a CEQA document (Cal. Code Regs., tit. 14 [CEQA Guidelines], § 15225). CalGEM circulated the EA/FONSI for 30 days in order to address CEQA requirements for public notice.
CBD/EJ 1-3 Pgs. 5–8	BLM's air pollution emissions estimates CBD & EJ contend that BLM's permit review process under NEPA and the Clean Air Act has been inadequate in that BLM underestimates air pollution emissions and other impacts from drilling permits.	The San Joaquin Valley Air Pollution Control District (SJVAPCD) and California Air Resources Board (CARB) have air quality jurisdiction over the project area (NEPA EA pg. 11). The EA evaluated the emissions of criteria pollutants against the thresholds set by the SJVAPCD and found that the emission levels would remain below the Federal *de-minimis* thresholds for the San Joaquin Valley Air Basin (NEPA EA pg. 17). Compliance with air quality standards would be enforced by the SJVAPCD under existing law. Well development and production operation emissions from the 10 proposed wells were each entered into the SJVAPCD's Air Toxics Hot Spots Facility Prioritization Score Calculator. The Hot Spots Analysis and Reporting Program prioritization score for the 10 proposed wells combined had a maximum value of 3.29 at two potential residences identified on satellite imagery as located within 1,000 meters of the nearest well site. This score is below the level at which a Health Risk Assessment would be required and indicates no need for further analysis (EA pg. 21).

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Comment # Comment Page #	Issue or Topic Comment Summary	Response
CBD/EJ 1-4 Pgs. 8–9	CalGEM's independent CEQA obligations CBD & EJ contend that CalGEM must comply with its independent obligations when reviewing the permits at issue.	CalGEM acknowledges its statutory mandates under Public Resources Code § 3011 and its obligations to protect public health, safety, and the environment, including the reduction and mitigation of GHGs. CalGEM's role under CEQA is to determine whether this specific, proposed project's direct and reasonably foreseeable indirect impacts would be reduced to less-than-significant levels with the mitigation measures and conditions of approval as currently proposed in the NEPA EA. As the CEQA lead agency, CalGEM carefully considers any relevant NEPA documents and determines where CEQA requires further analysis of environmental impacts. CalGEM conducted an independent analysis of this proposed project's NEPA EA in comparison to the requirements and thresholds set forth in the CEQA Guidelines. Per California Code of Regulations, title 14, § 15221, CalGEM should rely on a FONSI should the FONSI be found to comply with the provisions of CEQA. The EA/FONSI was independently evaluated by the CalGEM CEQA Program and determined to be adequate when combined with the actions taken by CalGEM to comply with CEQA public circulation and Tribal consultation requirements. The document meets the requirements of CEQA and sufficiently discusses environmental issues, impacts, and mitigation measures of the proposed project.
CBD/EJ 1-5 Pg. 10	Operator clean-up obligations and bonding CBD & EJ contend that CalGEM must address the operator's clean-up	CalGEM acknowledges the importance of adequate financial assurance and bonding and the need to minimize the risk that the State will be liable for costs associated with idle wells, plugging and abandonment, and remediation. Bonding and financial assurance requirements are enforced by CalGEM pursuant to its statutory authorities, including Public Resources Code § 3205 and provisions added

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Comment # Comment Page #	Issue or Topic Comment Summary	Response
	obligations when reviewing the permits at issue and require adequate bonding.	by Assembly Bill 1167, separate from CalGEM's environmental review of the proposed project. These concerns do not constitute substantial evidence of a significant environmental impact from this specific 10-well project that would require preparation of an Initial Study and subsequent CEQA document (CEQA Guidelines § 15064(h)(4)).
CBD/EJ 1-6 Pg. 10	Cumulative impacts CBD & EJ contend that CalGEM must account for disproportionately high greenhouse gas emissions from Midway-Sunset Oil Field.	The proposed project emissions are evaluated against the existing baseline which includes past approvals within Midway-Sunset Oil Field. The EA evaluated the proposed emissions of criteria pollutants against the thresholds set by the SJVAPCD and found that the emission levels would remain below the Federal *de-minimis* thresholds for the San Joaquin Valley Air Basin (NEPA EA pg. 17). The SJVAPCD and CARB have air quality jurisdiction over the project area (NEPA EA pg. 11). Compliance with air quality standards, air quality attainment plans for the San Joaquin Valley Air Basin, and Assembly Bill 617 would be enforced by the SJVAPCD and CARB under existing law.