



August 13, 2019

Wade Crowfoot, Secretary for Natural Resources  
California Natural Resources Agency  
1416 Ninth Street, Suite 1311  
Sacramento, CA 95814  
Wade.Crowfoot@resources.ca.gov

David Bunn, Director  
California Department of Conservation  
801 K Street, MS 18-05  
Sacramento, CA 95814  
David.Bunn@conservation.ca.gov

E. Joaquin Esquivel, Chair  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814  
Joaquin.Esquivel@waterboards.ca.gov

**Re: Request for Withdrawal of the Proposed Aquifer Exemption in the Sisquoc and Monterey Formations of the Cat Canyon Oil Field, Santa Barbara County, California**

Dear Secretary Crowfoot, Chair Esquivel, and Director Bunn,

The undersigned organizations urge the State to withdraw the Application for Aquifer Exemption in the Sisquoc and Monterey Formations of the Cat Canyon Oil Field in Santa Barbara County (“County”), California (“Application”). In the alternative, we request that the Application be put on hold until the United States Geological Survey (“USGS”) completes its study on possible groundwater contamination in the Cat Canyon Oil Field. Our organizations represent thousands of Californians, and we speak with a unified voice.

To fulfill its delegated obligations under the Safe Drinking Water Act (“SDWA”), the State Department of Conservation, Division of Oil, Gas, and Geothermal Resources (“DOGGR”) must protect drinking water from contamination resulting from oil and gas operations. In doing so, DOGGR’s role in the aquifer exemption process is not simply to supervise the process, but instead to actively participate and analyze an exemption proposal based on the science and data to ensure that an exempted aquifer determination will not degrade water supplies, threatening the health and welfare of surrounding communities. DOGGR’s dual mandate to oversee oil and gas development in California while also protecting communities and the environment from the impacts of exploiting fossil fuel resources prohibits the agency from rubber-stamping approvals of aquifer exemptions, such as the pending Cat Canyon Aquifer Exemption Application.

Injection operations can have devastating consequences, as demonstrated by the spill of over 1,000,000 gallons of crude oil and water into a dry streambed in the Cymric Oil Field, Kern County. DOGGR has since acknowledged that “[t]his kind of discharge can occur when steam injected under pressure to produce oil breaks through natural geologic barriers to the surface,” evidencing the dirty and risky nature of steam injection.<sup>1</sup>

Our organizations oppose the significant expansion of the existing Cat Canyon Aquifer Exemption because we cannot afford to put our water at risk. Freshwater is a critical resource in the County and the economy depends upon the availability of quality freshwater for drinking and agriculture. Both the Santa Maria and San Antonio Creek Groundwater Basins, which are located beneath the Cat Canyon Oil Field, are experiencing declines in water levels.<sup>2</sup> Decreasing water supplies directly impact local communities, such as the communities of Los Alamos and Sisquoc, which rely entirely on groundwater.<sup>3</sup>

According to the California Office of Environmental Health Hazard Assessment’s (“OEHHA”) CalEnviroScreen 3.0, parts of the Cat Canyon Oil Field are currently ranked in the 100th percentile for groundwater threats, heightening concerns about the degradation of groundwater if this aquifer exemption is approved.<sup>4</sup> This area in Cat Canyon is also ranked in the 90th percentile for drinking water contaminants and in the 97th percentile for impaired surface water bodies.<sup>5</sup> Both DOGGR and the State Water Resources Control Board (“SWRCB”) have a duty to protect our water from risky operations and toxic injections, yet the proposed Cat Canyon Aquifer Exemption threatens the quality of our water.

Expanding the existing aquifer exemption boundary in Cat Canyon could also significantly increase the intensity of risky oil and gas operations in the field. Today, there are

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<sup>1</sup> California Department of Conservation, Division of Oil, Gas, and Geothermal Resources, *Cymric Oil Field Release*, available at: <https://www.conservation.ca.gov/dog/Pages/Chevron-Cymric-oil-spill.aspx>.

<sup>2</sup> Santa Barbara County Planning & Development Department, Energy Division, *ERG West Cat Canyon Revitalization Plan Final Environmental Impact Report* at 4.9.4 (February 2019).

<sup>3</sup> *Id.* at 4.9-7.

<sup>4</sup> OEHHA, *Maps & Data*, available at: <https://oehha.ca.gov/calenviroscreen/maps-data>. Census tract 6083002006.

<sup>5</sup> *Id.*

three oil and gas projects proposed by ERG Operating Company, LLC (“ERG”),<sup>6</sup> Aera Energy, LLC (“Aera”),<sup>7</sup> and PetroRock, LLC, respectively, to drill and operate over 700 new wells in the Cat Canyon Oil Field, which would triple the County’s current onshore oil production. The three projects propose to utilize enhanced oil recovery techniques, such as cyclic steam injection. If approved these projects will cause irreparable, unmitigated damage to numerous acres of important sensitive habitat and native vegetation, endangered wildlife, our water quality, and public health.<sup>8</sup>

The applicants for these projects are Kern County-based operators that are now looking to Santa Barbara County’s heavy and viscous oil reserves without regard for our diverse biological resources, vital water supply, and clean air. We care about the natural resources in this region, and we are determined to protect the environment from dangerous and toxic operations. As more and more aquifer exemptions are being approved in the coastal regions of California, your agencies must approach these proposals systematically and take a hard look at the environmental impacts of each decision as well as collectively.

In order to adequately protect the health and safety of the affected communities, we ask that the State withdraw the Application for the Cat Canyon Aquifer Exemption. In the alternative, we ask you to pause the review process until your staff and the public are provided with the opportunity to review the groundwater quality results from the pending study by USGS in Cat Canyon. The USGS study is mandated by California Senate Bill 4, which authorized the Regional Monitoring Program (“RMP”), a collaboration between SWRCB and USGS to determine the hydrogeologic relationships between oil and gas activities and protected groundwaters. The RMP utilizes science and technical data to prioritize oil and gas fields based on the potential risk of groundwater to oil and gas development.<sup>9</sup> Cat Canyon Oil Field is ranked a high priority study area based on the field’s high volume of injection, and the USGS study is estimated to begin in 2019.<sup>10</sup> Members of our organizations want to know the results of this study *before* a decision on the Cat Canyon Aquifer Exemption is made.

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<sup>6</sup> *ERG West Cat Canyon Revitalization Plan Project Final Environmental Impact Report* at 4.9-11 (February 2019) (“In coordination with Aera, PetroRock and BE Conway, ERG has applied for such an exemption for proposed WCCRP steam injection.”).

<sup>7</sup> *AERA East Cat Canyon Oil Field Redevelopment Project Draft Environmental Impact Report* at 4.9-11 (November 2018) (“In anticipation of multiple requests for aquifer exemptions and/or extensions of existing exemptions under the UIC Program, DOGGR requested a single geologically integrated exemption application for the entirety of the Cat Canyon Oil Field; Aera, as well as ERG, PetroRock and BE Conway Energy have jointly applied for such an exemption.”).

<sup>8</sup> *ERG West Cat Canyon Revitalization Plan Project Final Environmental Impact Report* at 4.3-49—4.3-50; 4.9-17 (February 2019); *AERA East Cat Canyon Oil Field Redevelopment Project Draft Environmental Impact Report* at 4.3-58; 4.9-16 (November 2018).

<sup>9</sup> Davis, T.A., Landon, M.K., and Bennett, G.L., 2018, *Prioritization of oil and gas fields for regional groundwater monitoring based on a preliminary assessment of petroleum resource development and proximity to California’s groundwater resources: U.S. Geological Survey Scientific Investigations Report 2018–5065* at 1, available at: <https://doi.org/10.3133/sir20185065>. (“Exhibit G”).

<sup>10</sup> *Id.* at 67.

Preliminary groundwater quality results released by the USGS with regards to the Orcutt Oil Field and Oxnard Oil Field found potential contamination from oil and gas activities. In the neighboring Orcutt Oil Field, the preliminary results released by the USGS found mixing between oil-field fluids and groundwater in four of the sixteen wells sampled in the field.<sup>11</sup> In the Oxnard Oil Field, thermogenic methane was detected in at least two wells and possibly a third well.<sup>12</sup> Notably, USGS found that the groundwater wells with the highest thermogenic signals were located above cyclic steaming activity.<sup>13</sup> Existing sampling and information indicates that it is likely that oil-field fluids and/or thermogenic gases will be detected in at least some groundwater wells throughout Cat Canyon Oil Field.

These initial findings by USGS in the Orcutt and Oxnard Oil Fields demonstrate the need for your agencies to take extra care in making decisions that may impact Santa Barbara County's vital freshwater. It is highly unlikely that your agencies will revisit or reevaluate a decision to approve an aquifer exemption at a later time, and such a determination could commit the Field's hydrocarbon resources to decades of increased production and risk to the region's water supplies. It is imperative that the groundwater sampling results from the Cat Canyon USGS study are included as an additional layer of analysis in the review process for the proposed Cat Canyon Aquifer Exemption.

**For the foregoing reasons, we urge the State to withdraw the Application or at least place the Application on hold until the USGS completes its study on groundwater quality in the Cat Canyon Oil Field. Thank you for your consideration of our concerns and for the health and wellbeing of our communities.**

If you have any questions, please contact Tara Messing, Staff Attorney, Environmental Defense Center at [tmessing@environmentaldefensecenter.org](mailto:tmessing@environmentaldefensecenter.org) or 805-963-1622 x104.

Sincerely,

Linda Krop, Chief Counsel  
Environmental Defense Center

Kathryn Phillips, Director  
Sierra Club California

Victoria Rome, Director of California Government Affairs  
Natural Resources Defense Council

Dan Howells, California State Director  
Clean Water Action

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<sup>11</sup> SWRCB, *USGS Stakeholder Meeting* (February 25, 2019), available at: [https://www.waterboards.ca.gov/water\\_issues/programs/groundwater/sb4/regional\\_monitoring/#stakeholder](https://www.waterboards.ca.gov/water_issues/programs/groundwater/sb4/regional_monitoring/#stakeholder).

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

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Marcie Keever, Oceans & Vessels Program Director  
Friends of the Earth

Ana Rosa Rizo-Centino, Central Coast Senior Organizer  
Food & Water Watch

Maricela Morales, Executive Director  
Central Coast Alliance United for A Sustainable Economy (“CAUSE”)

Sigrid Wright, CEO/Executive Director  
Community Environmental Council

Ken Hough, Executive Director  
Santa Barbara County Action Network (“SBCAN”)

Katherine Emery, PhD, Executive Director  
Santa Barbara Audubon Society

Dan McCarter, President  
Santa Barbara Urban Creeks Council

Nick Jensen, PhD, Southern California Conservation Analyst  
California Native Plant Society

Mark Morey, PhD, Chair  
Surfrider, Santa Barbara Chapter