

County of Fresno

DEPARTMENT OF PUBLIC WORKS AND PLANNING STEVEN E. WHITE, DIRECTOR

Planning Commission Staff Report Agenda Item No. 5 March 15, 2018

SUBJECT: Initial Study Application No. 7319 and Unclassified Conditional Use Permit Application No. 3581

Allow a petroleum oil/gas production facility comprised of a threephase project consisting of the drilling of up to ten exploratory petroleum oil/gas wells, two wastewater injection (disposal) wells, one additional production facility and expansion of the existing 2.1-acre well pad to 7.2 acres to accommodate the proposed facilities on a 315.15-acre parcel in the AE-20 (Exclusive Agricultural, 20-acre minimum parcel size) Zone District.

LOCATION: The subject parcel is located on the north side of Mount Whitney Avenue, between the Butte Avenue alignment and the Lake Avenue alignment, approximately two miles west of the unincorporated community of Five Points (SUP. DIST. 1) (APN 050-080-11S).

- OWNER:David and Marilyn Britz TrusteesAPPLICANT:Temblor Petroleum Company, LLC
- STAFF CONTACT: Jeremy Shaw, Planner (559) 600-4207

Marianne Mollring, Senior Planner (559) 600-4569

RECOMMENDATION:

- Adopt the Mitigated Negative Declaration prepared for Initial Study (IS) Application No. 7319; and
- Approve Unclassified Conditional Use Permit No. 3581 with recommended Findings and Conditions; and
- Direct the Secretary to prepare a Resolution documenting the Commission's action.

EXHIBITS:

- 1. Mitigation Monitoring, Conditions of Approval and Project Notes
- 2. Location Map
- 3. Existing Zoning Map
- 4. Existing Land Use Map
- 5. Site Plans and Detail Drawings
- 6. Elevations
- 7. Applicant's Operational Statement
- 8. Summary of Initial Study Application No. 7319
- 9. Draft Mitigated Negative Declaration

SITE DEVELOPMENT AND OPERATIONAL INFORMATION:

Criteria	Existing	Proposed
General Plan Designation	Agriculture	No Change
Zoning	AE-20 (Exclusive Agricultural, 20-acre minimum parcel size)	No Change
Parcel Size	315.15 acres	No Change
Project Site	Three approved exploratory petroleum oil and natural gas wells, one abandoned well, and an approved production facility on a 2.1- acre portion of a 315.15- acre parcel consisting primarily of field crops	Up to ten new exploratory oil and gas wells, two, Class II water injection wells, one additional production facility and expansion of the existing pad to 7.2 acres.
Structural Improvements	Approved oil wells; Harnish McCormick No.4 (approved) Harnish- McCormick No. 3; KCDL No. 2 (existing oil wells); and Harnish-McCormick No. 2 (abandoned); Additionally, a production facility approved by CUP No. 3544.	Temporary 152-foot-tall drilling rig; three 125 square-foot mud sumps; two 280 square-foot pipe bins; well cellar containing the wellhead; two mud pumps; two 500 horsepower diesel-powered generators; and 350 square-foot employee trailer Up to ten pumping jacks (one for each proposed well) measuring 15 feet to 18

Criteria	Existing	Proposed
		feet tall when fully extended, located on the top of the wellheads; up to ten three- phase separators for each proposed well; a heater/separator (if needed); two 1,000- barrel storage tanks for water; two 2,000- barrel storage tanks for oil; one new production facility
Nearest Residence	Approximately 1,400 feet southeast of the project site	No change
Surrounding Development	The unincorporated community of Five Points is located approximately two miles east of the subject parcel, at the intersection of State Route 145 (Fresno Coalinga Road) and State Route 269 (Lassen Avenue). The unincorporated community of Westside is located approximately two and one quarter-miles to the south. A commercial agricultural fertilizer manufacturing operation is located approximately one mile to the southeast. The San Luis Drain is located approximately two and a half miles to the northeast.	No Change
Operational Features	N/A	Drilling of wells will be conducted 24 hours per day for up to 30 days per well, and drilling completion operations for an additional 30 days per well. After drilling completion, a pump jack and separator will be installed for each productive well. All drilled cuttings (solid and liquid) will be transported off site to an approved solid/liquid waste disposal facility. No customers on site as previously approved In the initial phase of the production, three to five vacuum trucks per day will remove oil and water from the location. Up to ten trucks per day may be used. Trucking will

Criteria	Existing	Proposed
		take place during daytime hours.
		Production process will be monitored on a 24-hour basis with an employee present at all times.
Employees	N/A	Four-person crews supervised by a foreman and an Applicant representative will operate the drilling rig 24 hours per day; additionally, up to 10 workers will be on site during drilling completion activities, with an additional 10 to 25 workers delivering various supplies and equipment.
Customers	None	No change
Traffic Trips	N/A	Up to 70 one-way truck trips per day (35 round trips per day) during assembly of the drilling rig which will take approximately two days to complete Up to 36 one-way employee trips per day (18 round trips per day) during exploratory drilling which will take approximately 30 days per well to complete, and during well completion which will take approximately 30 days per well
Lighting	Low voltage safety lighting	Lighting of the proposed 7.2 acre project site during site preparation and drilling operations Low voltage safety lighting at the 7.2-acre project site
Hours of Operation	24 hours per day	24 hours per day for the duration of drilling operations and life of the project

EXISTING VIOLATION (Y/N) AND NATURE OF VIOLATION: N

ENVIRONMENTAL ANALYSIS:

An Initial Study (IS) was prepared for the project by County staff in conformance with the provisions of the California Environmental Quality Act (CEQA). Based on the IS, staff has determined that a Mitigated Negative Declaration is appropriate. A summary of the Initial Study is included as Exhibit 8.

PUBLIC NOTICE:

Notices were sent to two property owners within 1,320 feet of the subject parcel, exceeding the minimum notification requirements prescribed by the California Government Code and County Zoning Ordinance.

PROCEDURAL CONSIDERATIONS:

An Unclassified Conditional Use Permit (CUP) may be approved only if four Findings specified in the Fresno County Zoning Ordinance, Section 873-F are made by the Planning Commission.

The decision of the Planning Commission on an Unclassified CUP Application is final, unless appealed to the Board of Supervisors within 15 days of the Commission's action.

BACKGROUND INFORMATION:

The Planning Commission approved Unclassified Conditional Use Permit Application No. 3208 on October 11, 2007, authorizing the same Applicant to drill an exploratory petroleum oil and natural gas well on the subject parcel. In that instance, neither oil nor natural gas was discovered at the site and the exploratory well was plugged and abandoned in compliance with the California Department of Conservation, Division of Oil, Gas and Geothermal Resources regulations. The Planning Commission subsequently approved four additional applications for petroleum oil and gas wells on the subject parcel. Unclassified Conditional Use Permit (CUP) No. 3420, which was approved on May 22, 2014, authorized the drilling of an exploratory petroleum oil and natural gas well on a 1.6-acre portion of the 315.15-acre subject parcel. The approved well (Harnish McCormick No.2) was drilled and completed in April 2016 and has since been abandoned; CUP No. 3533 was approved on October 6, 2016, and amended CUP No. 3420 authorized a second well (KCDL No.2); CUP No. 3542 was approved on March 16, 2017 and authorized an additional oil/gas well (Harnish McCormick No.4) and expanded the drill pad from 1.6 acres to 2.1 acres; CUP No. 3544, approved on February 16, 2017, authorized a production facility on the site.

The current application is proposing a three-phase project to allow the drilling of up to ten additional oil and gas wells, two water injection wells, one additional production facility and expansion of the existing pad from 2.1 acres to 7.2 acres to accommodate the new wells. According to the Applicant's operational statement, Phase 1 will involve the expansion of the drilling pad to 400 feet east to west and 782 feet north to south over the existing 250-foot by 350-foot pad, and allow a temporary portable drilling rig to conduct exploratory drilling. The drilling rig will be on site for approximately 30 days per well. If oil/gas resources are discovered in commercially viable quantities, a well casing will be installed and a smaller completion rig will be installed to complete the well, which will take up to 30 additional days per well. Following well completion, separators and pump jacks will be installed for each well. Any produced oil/gas will be routed through the previously approved production facility. Drilling operations will take place 24 hours per day.

Phase 2 will involve the installation of a portable drilling rig to drill two Class II water injection wells to an approximate depth of 7,000 feet. The stated purpose of the water injection wells is to enhance oil and gas production and allow for the disposal of saltwater associated with oil and gas production and operations. Drilling of the water injection wells will take approximately two weeks per well.

Phase 3 will consist of the completion of the water injection wells, and the installation of an additional production facility. The production facility will be comprised of two 2,000-barrel storage tanks and up to ten three-phase separator units (one for each new oil/gas well as needed). Additionally, an earthen berm will be constructed around the storage tanks to contain any possible spills. The storage capacity of the berms will be 4,000 barrels.

<u>Finding 1</u>: That the site of the proposed use is adequate in size and shape to accommodate said use and all yards, spaces, walls and fences, parking, loading, landscaping, and other features required by this Division, to adjust said use with land and uses in the neighborhood

	Current Standard:	Proposed Operation:	Is Standard Met (y/n)
Setbacks	Front: 35 feet Side: 20 feet Street Side: 35 feet Rear: 20 feet	Front (southern property line): 1,800 feet Street Side (eastern property line): 400 feet Street Side (western property line): 5,200 feet Rear (northern property line): 400 feet	Yes
Parking	No requirement	N/A	N/A
Lot Coverage	No requirement	N/A	N/A
Space Between Buildings	Six-foot minimum	N/A	N/A
Wall Requirements	No requirement	N/A	N/A
Septic Replacement Area	100 percent	N/A	N/A
Water Well Separation	Septic tank: 50 feet; Disposal field: 100 feet; Seepage pit: 150 feet	N/A	N/A

Reviewing Agency/Department Comments Regarding Site Adequacy:

Water and Natural Resources Division of the Fresno County Department of Public Works and Planning: The project is not located in a low-water area; there are no water quality issues.

Westlands Water District: The District has no objections to the petroleum production facility; however, prior to initiating construction, the Applicant should be required to contact Underground Service Alert so District Staff can locate and mark its facilities. The District has water distribution Lateral 18-8.5 in the vicinity of the proposed petroleum production facility location.

Zoning Section of the Fresno County Department of Public Works and Planning: Permits will be required for all proposed improvements.

Development Engineering Section of the Fresno County Department of Public Works and Planning: According to FEMA, FIRM Panel 2825H, the southerly portion of the subject parcel is located within Flood Zone A, and subject to flooding from the one-percent-chance storm. No net import of fill shall be allowed within the flood zone. Any work within the designated flood zones, shall conform to the provisions established in Chapter 15.48 Flood Hazard Areas of the Fresno County Ordinance Code.

Typically, excavations for wells or trenches for utilities, and exploratory excavations performed under the direction of a registered design professional are exempted work and a grading permit is not required, per 2013 California Building Code Appendix J grading, Section J103.2 Exemptions and Fresno County Ordinance Code, Title 15, Chapter 15.28 Grading and Excavation, Section 15.28.020 Exceptions and Superseding Provisions. In cases where a grading permit is not required, but where there may be an impact on surrounding properties or on present or future structures, a grading voucher may be required.

Typically, any additional runoff generated by the proposed development of this site cannot be drained across property lines and must be retained or disposed of per County Standards. A grading permit or voucher may be required for this project.

No other comments specific to the adequacy of the site were expressed by reviewing Agencies or Departments.

Analysis:

Staff review of the Site Plans demonstrates that the proposed improvements satisfy the minimum building setback requirements of the AE-20 (Exclusive Agricultural, 20-acre minimum parcel size) Zone District. The boundaries of the proposed 7.2-acre project site will be set back approximately 1,800 feet from the southern property line of the subject parcel (35 feet required), approximately 4,600 feet from the western property line (35 feet required), approximately 400 feet from the northern property line (20 feet required) and approximately 300 feet from the eastern property line (20 feet required).

The current application proposes the following improvements: up to ten additional petroleum oil and natural gas wells, two water injection/disposal wells, one additional production facility and expansion of the existing drill pad/site to 7.2 acres to accommodate the proposed new wells.

Staff finds the proposed parcel is adequate in size and shape to accommodate the proposed use.

Recommended Conditions of Approval:

None

Conclusion:

Finding 1 can be made.

<u>Finding 2</u>: That the site for the proposed use relates to streets and highways adequate in width and pavement type to carry the quantity and kind of traffic generated by the proposed use

		Existing Conditions	Proposed Operation
Private Road Yes		Butte Avenue alignment	No change
		Lake Avenue alignment	
Public Road Frontage	Yes	Mount Whitney Avenue: Good condition	No change
Direct Access to Public Yes Road		Mount Whitney Avenue	Access to the production facility will be from Mount Whitney Avenue via the Lake Avenue alignment, and a proposed 20-foot- wide on-site access road will connect the well location to the Lake Avenue alignment.
Road ADT		Mount Whitney Avenue: 1,600 Butte Avenue alignment: unknown (private road)	Minimal traffic increase during the life of the project
		Lake Avenue alignment: unknown (private road)	Existing access to project site
Road Classification	Road Classification		No change
		Butte Avenue alignment: N/A (private road)	
		Lake Avenue alignment: N/A (private road)	
Road Width		Mount Whitney Avenue: 80 feet	No change
		Butte Avenue alignment: unknown (private road)	
		Lake Avenue alignment: unknown (private road)	

		Existing Conditions	Proposed Operation
Road Surface		Mount Whitney Avenue: Paved (pavement width: 24.1 feet) Butte Avenue alignment: unimproved - dirt Lake Avenue alignment: unimproved - dirt	No change
Traffic Trips		N/A	Up to 70 one-way truck trips per day (35 round trips per day) during assembly of the drilling rig Up to 20 one-way employee trips per day (10 round trips per day) during exploratory drilling Eight initial one-way trips and subsequently up to four one-way trips per day to deliver water during drilling operations
Traffic Impact Study (TIS) Prepared	No	N/A	None required
Road Improvements Required		N/A	None required

Reviewing Agency/Department Comments Regarding Adequacy of Streets and Highways:

Building Safety/Plan Check Section of the Fresno County Department of Public Works and Planning: If approved, plans, permits, and inspections will be required.

Development Engineering Section of the Fresno County Department of Public Works and Planning: Butte Avenue and Lake Avenue are private roads and are not County-maintained. Mount Whitney is a County-maintained road that is classified as an Expressway with an existing 40-foot right-of-way north of the section line, per Plat Book. The minimum right-of-way north of the section line for an Expressway is 63 feet.

Typically, direct access from a rural Expressway to abutting agricultural parcels of twenty (20) or more acres may be permitted, in which case turnaround facilities on the agricultural property shall be required. Direct access from a rural Expressway to abutting agricultural commercial centers, agricultural parcels of less than twenty (20) acres, and nonagricultural uses will be prohibited. The County shall control access by acquiring access rights or by establishing design

requirements on new developments to limit access to frontage or other roads. If not already present, a ten-foot by ten-foot corner cut-off should be improved for sight distance purposes at any proposed driveway accessing Lake Avenue.

Road Maintenance and Operations Division of the Fresno County Department of Public Works and Planning: Mount Whitney Avenue is a County-maintained road and classified as an Expressway with an existing right-of-way of 80 feet, a paved width of 24.1 feet, with dirt shoulders, an Average Daily Trip count of 1,100, PCI of 82.3, and is in good condition. No additional right-of-way is needed.

Analysis:

The Initial Study prepared for this application indicated that the project could cause potential adverse impacts to County Roads due to the tracking of debris from the project site and access road onto the paved roadway. Therefore, a mitigation measure was incorporated into the project which requires that the Applicant install a grizzly and/or gravel pad where the Lake Avenue alignment intersects Mount Whitney Avenue to minimize sediment transport.

Based on the above information, and with adherence to the Mitigation Measure and Project Notes described above, staff believes the surrounding streets and highways serving the parcel will be adequate to accommodate the proposed use.

Recommended Conditions of Approval:

See Mitigation Measures attached as Exhibit 1.

Conclusion:

Finding 2 can be made.

<u>Finding 3</u>: That the proposed use will have no adverse effect on abutting property and surrounding neighborhood or the permitted use thereof

Surrou	Surrounding Parcels					
	Size:	Use:	Zoning:	Nearest Residence:		
North	160.00 acres	Field crops	AE-20	None		
	160.00 acres	Field crops	AE-20	None		
South	158.79 acres	Field crops	AE-20	None		
	466.34 acres	Field crops	AE-20	None		
East	150.12 acres	Field crops	AE-20	None		
	26.86 acres	Single-family residences Field crops	AE-20	1,520 feet southeast of the well location		
West	317.58 acres	Field crops	AE-20	None		

Reviewing Agency/Department Comments:

California Department of Conservation, Division of Oil, Gas and Geothermal Resources (Division): The proposed project is located outside of any of the Division's oil field administrative boundaries. Division records indicate that there are four known oil/gas or geothermal wells located within the project boundaries. The Division has no objection to continuing oil and gas production activities in this location. If, during development activities, any wells are encountered that were not part of this review, the property owner/developer shall immediately notify the Division's construction site well review engineer in the Bakersfield district office. The Division will send a follow-up evaluation letter to the property owner and local permitting agency. Remedial plugging and abandonment operations may be required.

Fresno County Department of Public Health, Environmental Health Division: The Applicant shall obtain oil and gas well permits from the California Department of Conservation, Division of Oil, Gas and Geothermal Resources, for the drilling, operations and maintenance of all production and disposal wells for the project.

Facilities proposing to use and/or store hazardous materials and/or hazardous wastes shall meet the requirements set forth in the California Health and Safety Code (HSC), Division 20, Chapter 6.95, and the California Code of Regulations (CCR), Title 22, Division 4.5. Any business that handles a hazardous material or hazardous waste may be required to submit a Hazardous Materials Business Plan pursuant to the HSC, Division 20, Chapter 6.95. The default State reporting thresholds that apply are: >55 gallons (liquids), >500 pounds (solids), >200 cubic feet (gases), or at the threshold planning quantity for extremely hazardous substances.

All hazardous waste shall be handled in accordance with requirements set forth in the California Code of Regulations (CCR), Title 22, Division 4.5. This Division discusses proper labeling, storage and handling of hazardous wastes.

In an effort to protect groundwater, all abandoned agricultural and domestic water wells (not intended for use or future use) within the proposed 7.2-acre project area shall be properly destroyed by an appropriately licensed contractor (permits required). Prior to destruction of agricultural wells, a sample of the upper most fluid in the well column should be checked for lubricating oil. The presence of oil staining around the well may indicate the use of lubricating oil to maintain the well pump. Should lubricating oil be found in the well, the oil should be removed from the well prior to placement of fill material for destruction. The "oily water" removed from the well must be handled in accordance with federal, state and local government requirements.

Fresno County Fire Protection District: Fresno County Fire Protection District (FCFPD) has received notice of this project, and did not identify any significant concerns. FCFPD has no comment for this project at this time. If future development is sought, the project/development shall annex to Community Facilities District No. 2010-01 of the Fresno County Fire Protection District. The project/development will also be subject to the requirements of the current Fire Code and Building Code when a building permit or certificate of occupancy is sought.

This project was reviewed by the following departments, which had "no comment": Fresno County Department of Agriculture, San Joaquin Valley Air Pollution Control District, and Fresno County Sheriff's Office. No other comments specific to land use compatibility were expressed by reviewing Agencies or Departments.

Analysis:

The subject parcel is located in an area marked by relatively large parcel sizes and few residential land uses. The unincorporated community of Five Points is located approximately two miles east of the subject parcel at the intersection of State Route 145 (Fresno Coalinga Road) and State Route 269 (Lassen Avenue). The unincorporated community of Westside is located approximately two and one quarter-miles to the south of the project site. Additionally, an agricultural fertilizer manufacturing operation is located approximately one mile southeast of the subject parcel, and the San Luis Drain is located approximately two and a half miles to the northeast. The subject parcel is not located along a designated Scenic Highway, and no scenic vistas or scenic resources were identified in the analysis.

During well drilling there will up to be three 500 horsepower main rig engines with industrial mufflers in continuous operation, and up to two 50 horsepower auxiliary engines. None of the reviewing agencies/departments expressed any concerns about sensitive receptors in the area.

According to aerial images of surrounding parcels, there are approximately four residential dwellings, located approximately 1,400 feet southeast of the project site, on a neighboring parcel which is also utilized for a commercial agriculture-related operation.

Potential impacts were analyzed through the CEQA evaluation process, and with adherence to the Mitigation Measures, Conditions of Approval, and Project Notes attached as Exhibit 1, staff believes the proposed use will not have a detrimental effect on surrounding properties.

Recommended Conditions of Approval:

See Mitigation Measures and Project Notes attached as Exhibit 1.

Conclusion:

Finding 3 can be made.

Finding 4: That the proposed development is consistent with the General Plan

Relevant Policies:	Consistency/Considerations:		
General Plan Policy LU-A.3: The County	Table LU-3 lists certain oil and gas		
may allow by discretionary permit in areas	development activities as a typical use		
designated as Agricultural, special	allowed in areas designated Agriculture,		
agricultural uses and agriculturally-related	subject to policies in Section OS-C, Mineral		
activities, including value-added processing	Resources. Compatibility with those sections		
facilities, and certain non-agricultural uses	is discussed in this table.		
listed in Table LU-3. Approval of these and	a. The operation of a productive oil well		
similar uses in areas designated as	site requires a site where an		
Agricultural shall be subject to the following	exploratory well has proven		
criteria:	successful.		
a. The use shall provide a needed service	 The productive well site must be 		
to the surrounding agricultural area	placed in the same location as the		
which cannot be provided more	exploratory well.		
efficiently within urban areas or which	c. Initial Study No. 7319 reviewed this		
requires location in a non-urban area	application for adverse impacts to		
because of unusual site requirements or	groundwater resources and the		
operational characteristics;	project was determined to have no		

Relevant Policies:	Consistency/Considerations:
 b. The use should not be sited on productive agricultural lands if less-productive land is available in the vicinity; c. The operational or physical characteristics of the use shall not have a detrimental impact on water resources or the use or management of surrounding properties within at least one quarter (1/4)-mile radius; d. A probable workforce should be located nearby or be readily available. 	 impact to water quantity in the surrounding area. d. The Applicant has established employees currently working at the exploratory drill site. It is probable that the owner will use those employees to work at the productive drill site.
General Plan Policy LU-A.4: The County shall require that the recovery of mineral resources and the exploration and extraction of oil and natural gas in areas designated Agriculture comply with the Mineral Resources Section of the Open Space and Conservation Element.	Review of relevant policies from the Mineral Resources Section of the Open Space and Conservation Element of the Fresno County General Plan is included in the analysis.
General Plan Policy OS-C.13: County shall require a special permit for certain oil and gas activities and facilities due to their potential adverse effects on surrounding land or land uses.	The subject discretionary land use application (Conditional Use Permit No. 3581) satisfies this policy. As part of the review for this application, an Initial Study was prepared to determine potential environmental impacts from approval of this project. No adverse impacts on surrounding land or land uses were identified in the course of that analysis.
General Plan Policy OS-C.18 : The County shall establish procedures to ensure that exploration and recovery of mineral resources, including oil and natural gas, will occur under appropriate locational and operational standards within areas designated Agriculture and Westside Rangeland.	The County has adopted Zoning Ordinance Section 857, which outlines the Regulations for Oil Drilling and Gas Development in All Districts. Analysis of the project's consistency with these policies will follow in the "Analysis" section below.

Reviewing Agency Comments:

Policy Planning Section of the Fresno County Department of Public Works and Planning: APN 050-080-11S is restricted under a Williamson Act Contract, Agricultural Land Conservation Contract (ALCC) No. 1512. The proposed exploratory oil and gas wells and wastewater injection wells are considered a compatible use on land enrolled in the Williamson Act program.

No other comments specific to General Plan Policy were expressed by reviewing Agencies or Departments.

Analysis:

This project proposes to drill up to ten exploratory oil and gas wells and two waste water disposal wells.

The Open Space and Conservation Element of the Fresno County General Plan is divided by types of land use. Those policies that relate to Oil and Gas include Policies OS-C.12 through OS-C.20. Goal OS-C of the Mineral Resources Section is to conserve areas identified as containing significant mineral deposits and oil and gas resources for potential future use, while promoting the reasonable, safe, and orderly operation of mining and extraction activities within areas designated for such use, where environmental, aesthetic, and adjacent land use compatibility impacts can be adequately mitigated.

Policy OS-C.12 provides three designations for land within Fresno County as it relates to the regulation of oil and gas development: urban areas, established oil and gas fields, and non-urban areas. These distinctions affect the process for these applications. Since this project is in an area designated as non-urban and since the Applicant has filed for a Conditional Use Permit, this application is consistent with this policy.

Policy OS-C.17 requires the timely reclamation of oil and gas development sites upon termination of such activities. As part of the environmental review of this application, a mitigation measure was placed on the project, which requires that the Applicant restore the site as close as possible to its pre-drilling condition within 90 days of termination of drilling activities. With compliance to this mitigation measure, the project is consistent with this policy.

Policy OS-C.20 states that the County shall not allow any building intended for human occupancy to be located near any active petroleum well unless suitable safety and fire protection measures and setbacks are approved by the local fire district. The nearest residences are approximately 1,400 feet away from the project site and no residential units are proposed in the area.

Section 857 of the County Zoning Ordinance establishes regulations for the safe, economic exploration and recovery of oil, gas and other hydrocarbon resources; insures the compatibility of oil and gas exploration, production, processing, transportation, and related facilities and activities with surrounding land uses; and ensures the restoration of the land upon termination of such activities to its primary land use as designated by the General Plan.

This proposal entails the further development of a previously-approved oil and gas drilling operation and production facility. The current application proposes to expand the existing drilling and production area by approximately 5.1 acres, allow up to ten additional exploratory oil/gas wells and an additional production facility for storage and processing. With adherence to the included Mitigation Measures, Conditions and Project Notes, the proposed project is consistent with the applicable policies contained in the General Plan and the County Zoning Ordinance.

Recommended Conditions of Approval:

See Mitigation Measures attached as Exhibit 1.

Conclusion:

Finding 4 can be made.

PUBLIC COMMENT:

None

CONCLUSION:

Based on the factors cited in the analysis, staff believes the required Findings for granting the Unclassified Conditional Use Permit can be made.

Staff therefore recommends approval of Unclassified Conditional Use Permit No. 3581, subject to the Mitigation Measures, recommended Conditions of Approval, and Project Notes attached as Exhibit 1.

PLANNING COMMISSION MOTIONS:

Recommended Motion (Approval Action)

- Move to adopt the Mitigated Negative Declaration prepared for Initial Study Application No. 7319; and
- Move to determine the required Findings can be made and move to approve Unclassified Conditional Use Permit No. 3581 subject to the Mitigation Measures, Conditions of Approval and Project Notes listed in Exhibit 1; and
- Direct the Secretary to prepare a Resolution documenting the Commission's action.

Alternative Motion (Denial Action)

- Move to determine that the required Findings cannot be made (state basis for not making the Findings) and move to deny Unclassified Conditional Use Permit No. 3581; and
- Direct the Secretary to prepare a Resolution documenting the Commission's action.

Mitigation Measures, Recommended Conditions of Approval and Project Notes:

See attached Exhibit 1.

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Mitigation Monitoring and Reporting Program Initial Study Application No. 7319/Unclassified Conditional Use Permit Application No. 3581 (Including Conditions of Approval and Project Notes)

		Mitigation Measures			
Mitigation Measure No.*	Impact	Mitigation Measure Language	Implementation Responsibility	Monitoring Responsibility	Time Span
*1.	Aesthetics	All outdoor lighting shall be hooded and directed as to not shine toward adjacent properties and public streets.	Applicant	Applicant/Public Works and Planning (PW&P)	Ongoing
*2.	Agricultural and Forestry Resources	When drilling operations are complete, the Applicant shall return the project site (as much as practical) to its original condition and all drilling equipment shall be removed within 90 days of termination of the drilling operations.	Applicant	Applicant/PW&P	Within 90 days of the termination of drilling operations
*3.	Cultural Resources	In the event that cultural resources are unearthed during ground-disturbing activities, all work shall be halted in the area of the find. An archaeologist should be called to evaluate the finding and make any necessary mitigation recommendations. If human remains are unearthed during ground-disturbing activities, no further disturbance is to occur until the Fresno County Sheriff-Coroner has made the necessary findings as to origin and disposition. All normal evidence procedures should be followed by photos, reports, video, etc. If such remains are determined to be Native American, the Sheriff-Coroner must notify the Native American Commission within 24 hours.	Applicant	Applicant/PW&P	During all ground- disturbing activities
*4.	Transportation/ Traffic	Prior to commencing production operations, a grizzly and/or gravel pad shall be installed on the Lake Avenue alignment where the Lake Avenue alignment intersects Mount Whitney Avenue to minimize sediment transport from vehicles and equipment onto Mount Whitney Avenue.	Applicant	Applicant/PW&P	As noted
*MITIGATION MEA	SURE – Measure spec	ifically applied to the project to mitigate potential adverse environmental effect Conditions of Approval	cts identified in the enviro	onmental document.	
1.		uction oil well operation shall be conducted in accordance wit Commission for Unclassified CUP No. 3581.	h the Site Plans and	d Operational Statem	ent approved
2.	and Gas Wells fr	all obtain the necessary oil and gas well permits for all propos om the California Department of Conservation, Division of Oil aintenance of all production and disposal wells for the project,	, Gas and Geothern	nal Resources for the	drilling,

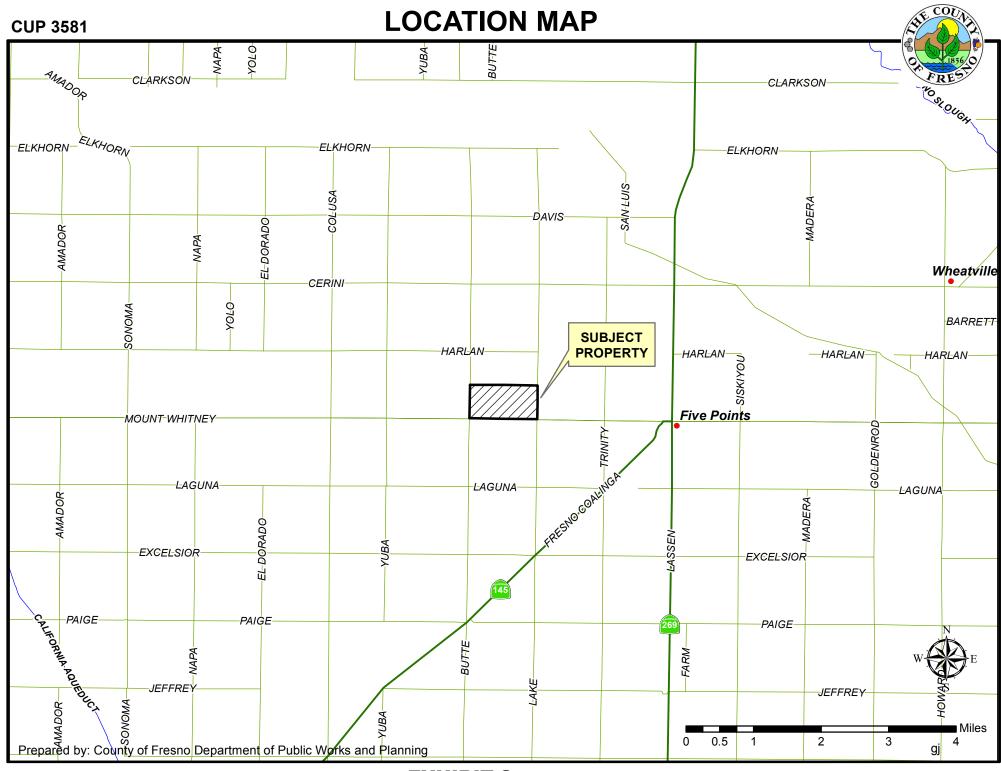
	Injection Control (UIC) program for Class II Injection wells. Additionally, prior to commencement of any injection into any wells authorized with this project, the Applicant shall submit a complete project application to the Division of Oil Gas, and Geothermal Resources, including data listed in the California Code of Regulations (CCR) section 1724.7.
3.	All Mitigation Measures, Conditions of Approval and mandatory Project Notes for any previous applications approved for this site, including CUP No. 3208, CUP No. 3420, CUP No. 3533, CUP No. 3542 and CUP No. 3542 shall be implemented, if not already in place.
4.	If, during drilling/development activities, any wells are encountered that are not previously known or part of this review, the property owner/Applicant shall immediately notify the California Department of Conservation, Division of Oil, Gas and Geothermal Resources, construction site well review engineer in the Bakersfield district office at (661)-334-3662.

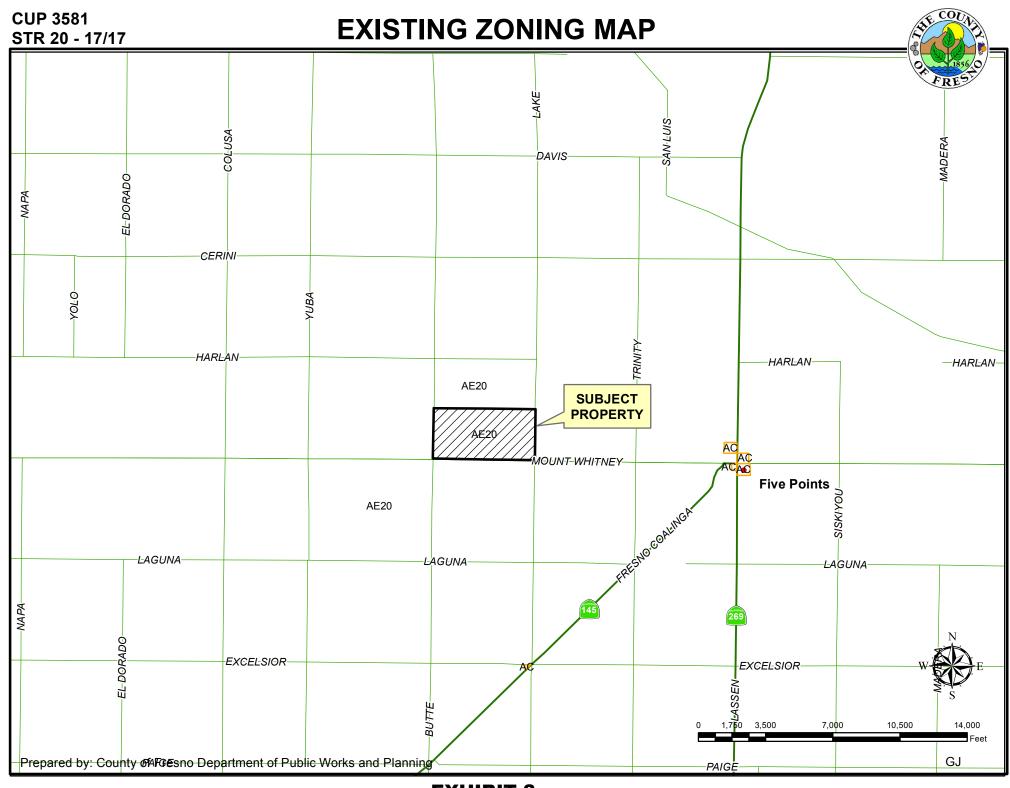
Conditions of Approval reference recommended Conditions for the project.

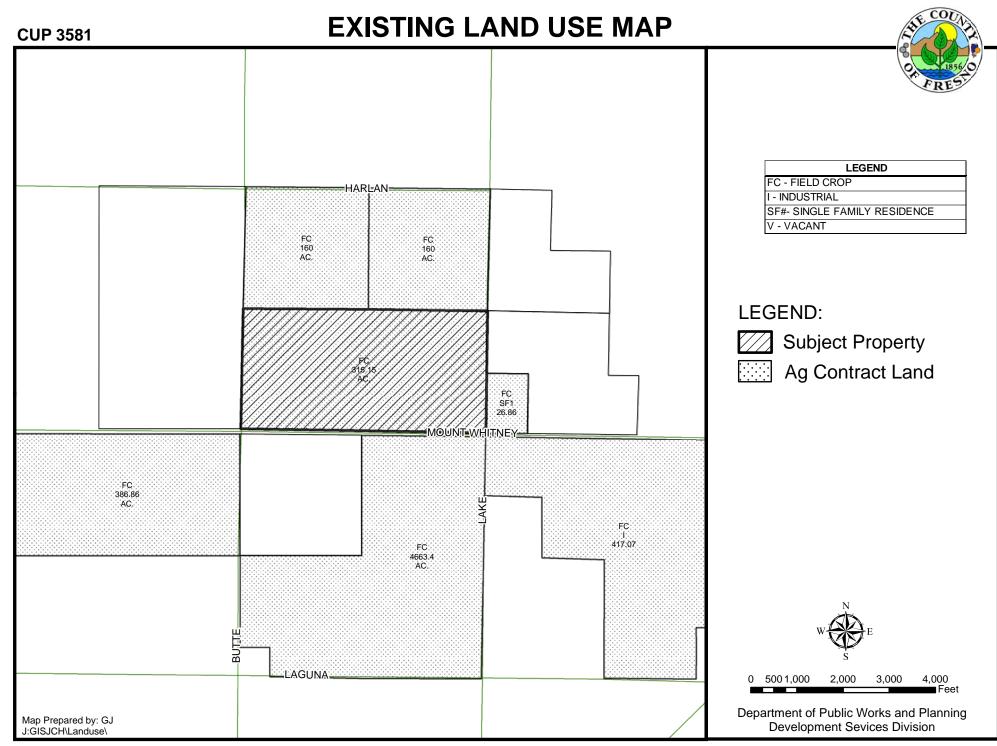
	Notes			
The follow	The following Notes reference mandatory requirements of Fresno County or other Agencies and are provided as information to the project Applicant.			
1.	Prior to initiating construction, the Applicant shall contact Underground Service Alert to allow Westlands Water District staff [(559) 241-6220] to locate and mark their facilities.			
2.	Plans, permits, and inspections are required. Please contact the Zoning and Permitting section at (559) 600-4540 for information regarding permits for siting, construction and electrical work.			
3.	If not already present, a ten-foot by ten-foot corner cut-off should be improved for sight distance purposes at any proposed driveway accessing Lake Avenue.			
4.	According to FEMA, FIRM Panel 2825H, portions of the parcel are located in Flood Zone A, which is subject to the 100-year storm. Any work performed within the flood zones shall conform to provisions established in Chapter 15.48 Flood Hazard Areas of the Fresno County Ordinance.			
5.	Any additional runoff generated by the proposed development of this site cannot be drained across property lines and must be retained or disposed of per County Standards. A grading permit or voucher may be required for this project.			
6.	An encroachment permit is required from the Fresno County Department of Public Works and Planning, Road Maintenance and Operations Division prior to any work being performed in the County right-of-way.			
7.	Facilities proposing to use and/or store hazardous materials and/or hazardous wastes shall meet the requirements set forth in the California Health and Safety Code (HSC), Division 20, Chapter 6.95, and the California Code of Regulations (CCR), Title 22, Division 4.5. Any business that handles a hazardous material or hazardous waste may be required to submit a Hazardous Materials Business Plan pursuant to the HSC, Division 20, Chapter 6.95 (http://cers.calepa.ca.gov/ or https://www.fresnocupa.com/). For more information please contact the local Certified Unified Program Agency (CUPA) at (559) 600-3271. The default State reporting thresholds that apply are: >55 gallons (liquids), >500 pounds (solids), >200 cubic feet (gases), or at the threshold planning quantity for extremely hazardous substances.			
8.	All hazardous waste shall be handled in accordance with requirements set forth in the California Code of Regulations (CCR),			

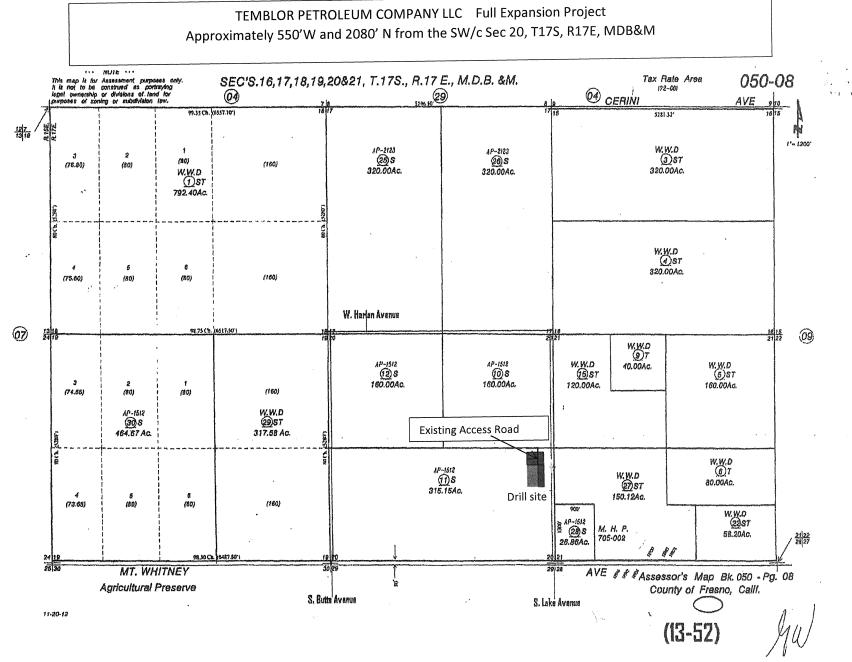
Notes	
	Title 22, Division 4.5, which discusses proper labeling, storage and handling of hazardous wastes.
9.	In an effort to protect groundwater, all abandoned agricultural and domestic water wells (not intended for use or future use) within the 1.6-acre project area shall be properly destroyed by an appropriately-licensed contractor (permits required). Prior to destruction of agricultural wells, a sample of the upper most fluid in the well column should be checked for lubricating oil. The presence of oil staining around the well may indicate the use of lubricating oil to maintain the well pump. Should lubricating oil be found in the well, the oil should be removed from the well prior to placement of fill material for destruction. The "oily water" removed from the well must be handled in accordance with federal, state and local government requirements. Contact the Water Surveillance Program at (559) 600-3357 for more information.
10.	The project/development shall annex to Community Facilities District No. 2010-01 of the Fresno County Fire Protection District. The project/development also will be subject to the requirements of the current Fire Code and Building Code when a building permit or certificate of occupancy is sought.

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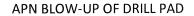


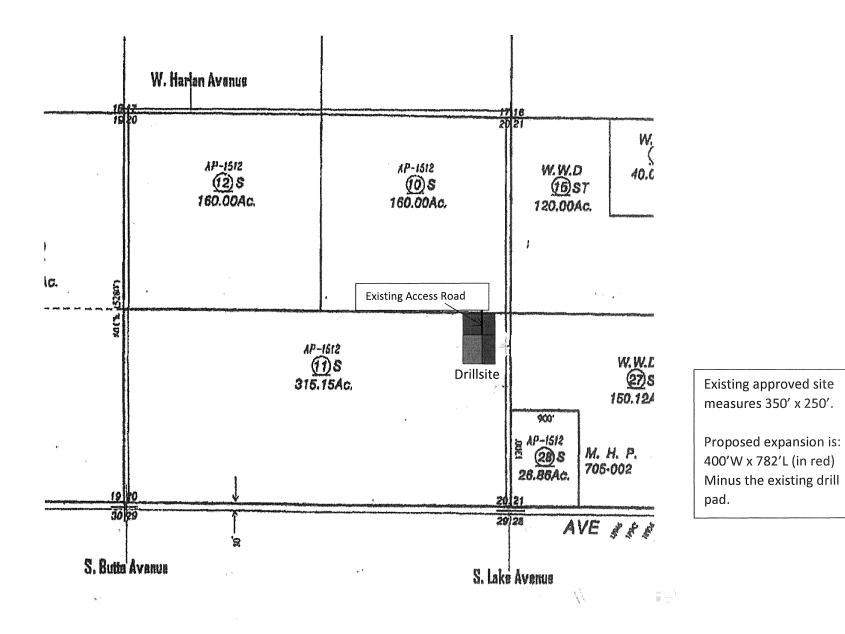




TEMBLOR PETROLEUM CO LLC

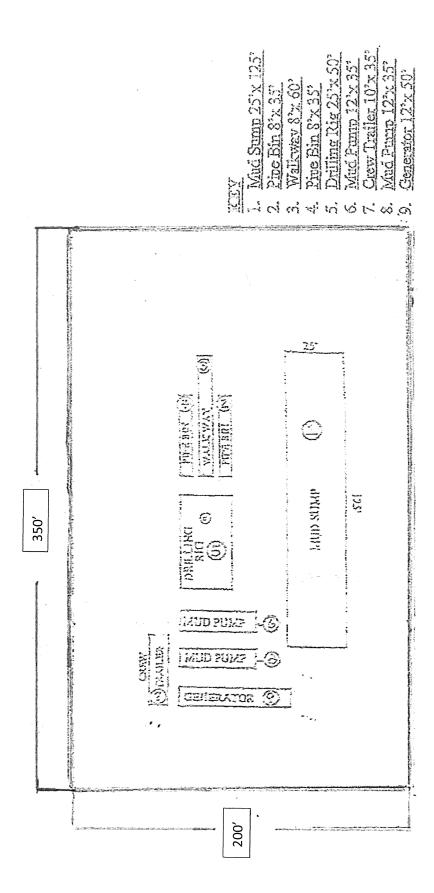
APN 050-080-11S





RIG LAYOUT

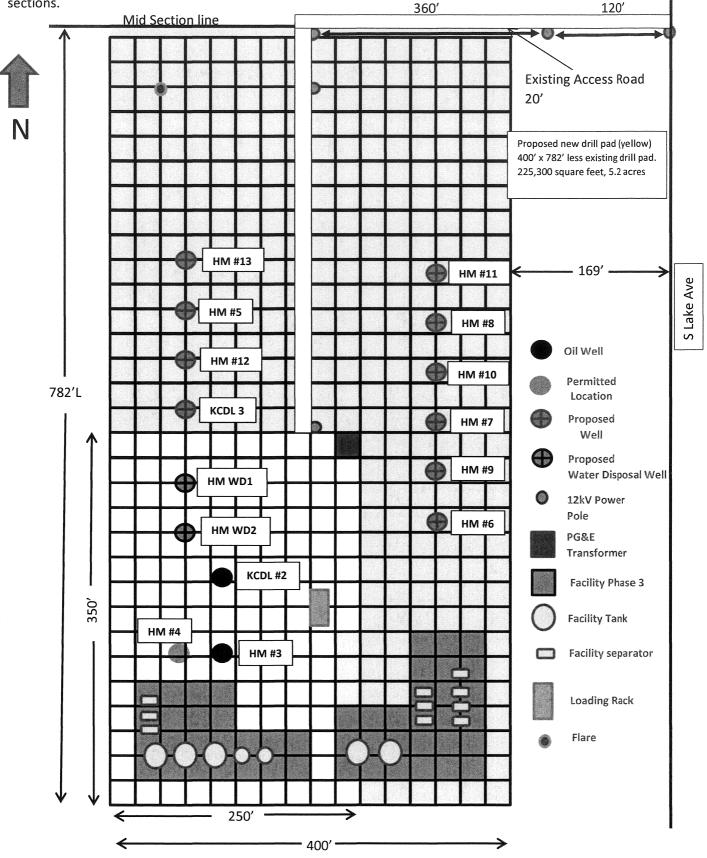
TEMBLOR PETROLEUM COMPANY LLC

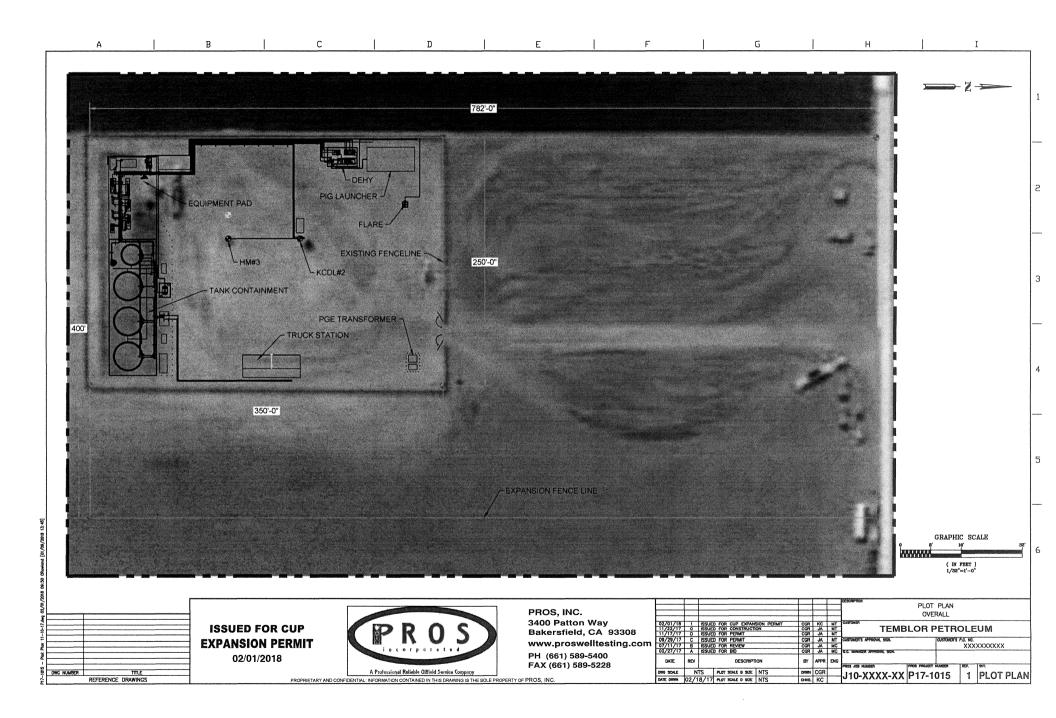


SITE PLAN

TEMBLOR PETROLEUM CO Sec 20, T17S, R17E, MDB&M APN 050-080-11S

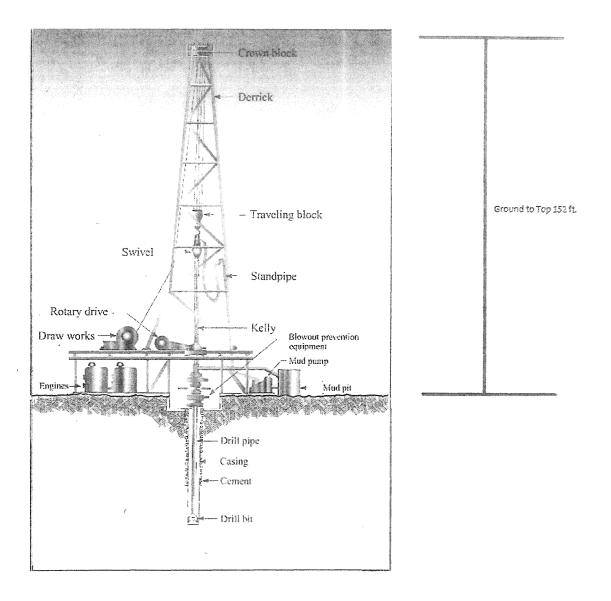
Existing drill pad footprint is drawn in white/black line and is 2 acres. Shaded in yellow is the drill pad extension (5.2 acres) for 12 new wells (10 oil wells, 2 water disposal wells). Total project when completed is 7.20 acres. Grid is in 25' sections.





TEMBLOR PETROLEUM COMPANY LLC

TYPICAL OILWELL DRILLING RIG MEASUREMENTS



OPERATIONAL STATEMENT FOR TEMBLOR PETROLEUM COMPANY LLC 5201 California Ave, Suite 340 Bakersfield, CA 93309 FOR Full Development of Oil Resourse SEC 20, T17S, R17E, MDB&M APN# 050-080-11S

1. Nature of the operation:

Temblor Petroleum is proposing a three phase project to fully expand and develop their oil resource on Section 20, Township 17S, Range 17E, MDB&M. This will include expanding the drill site to 7.2 acres to accommodate 10 oil well locations, 2 water disposal wells and 1 additional production facility.

Phase 1

Temblor proposes to expand the existing drilling pad to 400'E&W x 782'N&S minus the existing drill pad measuring 250'E&W x 350'N&S. This expansion of 5.2 acres will make the total drill site 7.2 acres. The existing 2 acre drill pad has already been built on the Unclassified Conditional Use Permit Application No. 3420. Two existing oil wells were drilled on this CUP. An expansion of this pad was approved (CUP 3542), for the Harnish-McCormick #4 well and will be built in the spring/summer of 2017. The proposed wells, will expand the existing well pad by 5.2 acres, making the entire drill pad 7.2 acres. Please see attached site plan. Access to the location will be on existing county roads, improved and unimproved. A temporary well cellar (8' x 8" x 6') will be built and conductor pipe will be cemented at the well location to a depth of 80 feet. This preliminary work will require two weeks of daylight activity.

Temblor proposes to move in a temporary, portable drilling rig to drill and explore for the accumulation of oil and gas for ten new wells. This will begin with the drilling of Harnish-McCormick #5 (HM#5) and KCDL #3. All the wells have been plotted on the site plan. The wells will be drilled to a measured depth of approximately 10,000'. The drilling rig, itself, is expected to be on location for approximately 30 days per well. If oil and gas is found in commercial quantities, casing will be installed and the well will be completed, the main drilling rig will be released and a smaller completion rig will be moved in to complete the wells, which could consume another 30 days per well. The wells will be outfitted with separators and pump jacks. Oil and gas production will be routed through previously approved (Feb 2017, CUP 3420) production facility.

A mobile drilling rig will be set up for drilling. The move and rigging-up for each well should take a maximum of two days. Actual drilling time is estimated to take approximately 30 days per well. Drilling is a continuous 24 hour per day operation. The drilling crew consists of four men working eight hour shifts, three shifts per day. They will be supervised by a rig company drilling foreman and a representative from Temblor Petroleum Company, LLC.

No hazardous material will be used in the drilling mud system. All drilled cuttings will be separated from the mud system, de-watered and stored on the location until the drilling is completed. They will then be hauled to a municipal waste disposal facility that handles non-hazardous waste. Liquid waste (water from the drilling mud) will be re-used as needed in the mud system. The excess will be stored on the site and hauled away to a non-hazardous waste disposal facility at the end of the job. A portable sanitary facility will be used. It will be pumped out on a regular basis for disposal at an approved off-site location.

If a well is unsuccessful, it will be plugged with cement as required by the California Division of Oil, Gas, and Geothermal Resources (Division). The drilling rig and all of the equipment will be removed from the site. The temporary cellar will be removed and the site and access road will be cleaned up and returned to their original condition. The total time that the site will be used is four to five weeks if oil or gas is not discovered.

If a well shows encouragement, the drilling rig will set steel casing in the well. The casing will be cemented as required. Fresh water zones will be protected with cement. A smaller, portable completion rig will be used instead of the drilling rig to complete the well. It may be required to run logs, perforate oil/gas sands, make tests and run tubing. The wells are expected to produce primarily oil and if deemed economically profitable they will be outfitted with separators and pump jacks. They will be produced into portable tanks during an initial test period and piped to the production facility on site (CUP 3544). The time required for initial testing of an oil well is not expected to exceed two months.

If the wells produce natural gas in economical quantities, they will be produced into a portable gas/liquid separator and flare system with any liquids being contained in a portable tank. The produced gas will be metered and then incinerated in the flare utilizing an air induction line, continuous pilot, and wind shroud to ensure complete combustion. The time required for initial testing of a gas will is not expected to exceed one month. If there is a sufficient volume of gas available on a regular basis, it will be transported by pipeline to a nearby gas purchaser.

Oil will be trucked from the site. One or two trucks per day may be needed at first, but the frequency will lessen as the oil production rate falls off during the first few months. Water hauling may require only one truck per week at the outset.

A company operator will monitor the well on a daily basis to ensure that the operation continues as required. Producing operations will continue as long as it is profitable. It is hoped that the economic life will be twenty years or longer.

Phase 2

Temblor proposes to move in a temporary, portable drilling rig to drill two Class II water injection wells to an approximate depth of 7000' that will service the Temblor wells at this location. Class II injection wells provide a viable and safe method to enhance oil and gas production and dispose of produced saltwater associated with oil- and gas-production operations. In California, Class II injection wells have an outstanding record for environmental protection. A peer review conducted by a national organization, the Ground Water Protection Council, found the Division has an excellent program that effectively protects underground sources of drinking water.

The wells will be drilled to a measured depth of approximately 7,000'. The well locations as marked on the grid in dark green, will be 50' west and 100' north of the existing KCDL #2 well. The drilling rig itself is expected to be on location for approximately 12 days per well. A smaller completion rig will be moved in to complete the well.

The permitting for a water injection well begins with county approval. Once that is obtained, Temblor will apply for the Division of Oil, Gas, and Geothermal Resources (Division) permit, which can take up to 6 months. Operators of Class II injection wells must file for a permit with the Division. Before a permit is issued, the proposed injection project is studied by Division engineers and reviewed by the appropriate Regional Water Quality Control Board. Division engineers evaluate the geologic and engineering information, solicit public comments, and may hold a public hearing, if necessary. Injection project permits include many conditions, such as approved injection zones, allowable injection pressures, and testing requirements.

Class II injection wells receive fluids associated with oil and natural gas production operations. Most of the injected fluid is saltwater that is produced when oil and gas are extracted from the earth.

In California, all Class II injection wells are regulated by the Department of Conservation, Division of Oil, Gas, and Geothermal Resources, under provisions of the state Public Resources Code and the federal Safe Drinking Water Act. Class II injection wells fall under the Division's Underground Injection Control (UIC) program, which is monitored and audited by the U.S. Environmental Protection Agency. In 1983, the Division received EPA primary authority, *primacy*, to regulate Class II wells. The main features of the UIC program include permitting, inspection, enforcement, mechanical integrity testing, plugging and abandonment oversight, data management, and public outreach.

(http://www.conservation.ca.gov/dog/general_information/Pages/class_injection_wells.a spx)

A mobile drilling rig will be set up- for drilling. The move and rigging-up should take a maximum of two days. Actual drilling time is estimated to take approximately 12 days. Drilling is a continuous 24 hour per day operation. The drilling crew consists of four men working eight hour shifts, three shifts per day. They will be supervised by a rig company drilling foreman and a representative from Temblor Petroleum Company LLC.

No hazardous material will be used in the drilling mud system. All drilled cuttings will be separated from the mud system, de-watered and stored on the location until the drilling is completed. They will then be hauled to a municipal waste disposal facility that handles non-hazardous waste. Liquid waste (water from the drilling mud) will be re-used as needed in the mud system. The excess will be stored on the site and hauled away to a non-hazardous waste disposal facility at the end of the job. A portable sanitary facility will be used. It will be pumped out on a regular basis for disposal at an approved off-site location.

Construction of the injection well requires that steel pipe called casing will be cemented in the hole. The casing and cement prevent fluids in different zones from mixing with each

> ar Sec.

other or with injected fluids. The casing and cement are perforated opposite the injection zone. To provide an extra layer of protection, tubing is placed in the well to a point just above the perforations and a packer is used near the bottom of the tubing to seal it against the casing. The packer prevents water from entering the space between the tubing and casing when water is injected down the tubing. Several tests are run to make sure the well is operating properly and the injected fluids are confined to the intended injection zone, and repeated on a periodic schedule.

(http://www.conservation.ca.gov/dog/general_information/Pages/class_injection_wells.a spx)

Phase 3

To complete the injection well, an electric pump, and a filtering unit will be added to the previously approved (Feb 2017, CUP 3420) production facility. The same existing roads will be utilized to access the pad. There will be no expansion of the access road or pad for this phase.

All injection wells are monitored by Division engineers to ensure the wells are operated properly and have mechanical integrity. Monitoring includes reviewing operational data and running tests like Mechanical Integrity Tests (i.e., spinner, temperature, and pressure tests and tracer surveys). In addition, most well sites are inspected annually by Division engineers. Samples of the injected fluids may be taken at any time to confirm compliance.

A second production facility to accommodate the equipment needed for full expansion is also proposed. This facility will be located in the southeast corner of the new expanded drill site and will measure 150' x 150' minus 75' x 75' in the northwest corner. The pad will contain two 2000 bbls storage tanks and space for 10 three phase separator units (one for each new well, if needed), An earthen berm will be constructed around the storage tanks to contain any oil or water that my spill on the location. The capacity of the berm will be equivalent to the total capacity of the tanks (4000 bbls).

2. Operational time limits:

See the time windows above. The drilling rig will operate 24 hours per day, 7 days a week until completed. The completion rig will operate +/- 12 hours per day.

3. Number of customers or visitors:

During an average day while drilling and subsequently while completing the well, if commercial production is encountered, there will be an average +/- 10 workers on site with 10-25 other workers temporarily arriving and going with various supplies and activities. The frequency of large trucks at the site will be minimal after the rig is set up and drilling begins. These trucks will enter the site occasionally after drilling begins. These visits will average only two trips per day during this period. Most of the large trucks will be used to move the drilling rig and the equipment at the beginning and at the end of the drilling project. The trucks are needed during drilling only for special operations such as setting surface casing, cementing and logging. Visits by automobiles and pickup trucks may run about ten per day. They will involve crew shift changes, mud loggers, engineers and deliveries of small expendable items to the rig and company representatives.

4. Number of employees:

Please see the answer in #3.

5. Service and delivery vehicles:

It will take +/- 35 tractor and trailer loads of equipment to erect the drilling rig with 3/5 tractor and trailer loads of various equipment and supplies moving in and out over every 24-hour period.

6. Access to the site

Mt. Whitney Avenue to S. Lake Avenue; then North on S. Lake Avenue to the midsection line road, and then south to project site.

7. Parking:

The existing drill site is bladed and on a flat field. It is 200' x 350' in size. Temporary parking will not be a problem.

8. Goods on sale:

There are no goods for sale.

9: Equipment used:

Please see the answer in operational statement.

10. Supplies:

Diesel fuel will be on site for fuel to run the drilling rig. The diesel will be stored in tanks specifically designed to contain diesel. Other various non-hazardous products to formulate drilling fluids will also be on location to allow the well to be drilled. The drilling fluids products will be in dry bagged form and miscellaneous buckets of products. The formulated drilling fluid will be in above ground steel tanks. Various steel casings and tubular products will also be on location, which will be used in the drilling and completion of the well.

11. Appearance:

During the drilling operation, noise will only consist of the running of approximately 3-500 horsepower main rig engines with industrial mufflers with some (+/-2) auxiliary 50 hp. engines. The noise of these engines will not be noticeable outside the boundaries of the location. Glare and odor will not be a problem. The location will be periodically watered to prevent any dust problem.

12. Solid & Liquid Waste:

During the drilling of the well, approximately 1700 barrels or 350 yards or =/- 437 tons of solid cuttings will be brought out of the well and stored in a pit 25' wide by 150' long by =/- 5' deep. The cuttings will be analyzed when drilling is completed for hazardous content. Historical analysis of cuttings to date indicates cuttings are non-hazardous. Therefore, assuming the non-hazardous analysis applies for this Tremblor project, the cuttings alone with the drilling mud will be hauled off to an approved disposal site.

In addition to the cuttings themselves, approximately 2500 barrels of liquid drilling mud will be produced during the drilling of the well. This liquid too, will be analyzed, and if found non-hazardous as 99.9% of the drilling mud water samples are, this material will be hauled off site to an approved non-hazardous drilling mud disposal site.

Any and all wastes found to be hazardous will be hauled off to a certified and approved California hazardous wastes disposal site.

13. Estimated water:

It is estimated during the course of the drilling operation; approximately 1400 gallons of water per day will be used during the drilling of the well. This water will be used to manufacture the drilling fluid and to make cement, which will be used to cement the outside of the casings. And, if the well is deemed to be a dry hole, the water will be utilized to formulate cement to place abandonment cement plugs in the hole in accordance with the rules and regulations of the California Department of Conservation, Division of Oil, Gas, and Geothermal Resources, Coalinga Division. Water will be purchased offsite and trucked in when needed to replenish the onsite water tank.

14. Advertising: No advertising, whatsoever, will exist.

15. Existing Buildings:

There are no existing buildings, nor will any buildings be constructed for this temporary drilling operation or injection facility.

16. Buildings:

No existing buildings will be used, nor will any buildings be constructed for this temporary drilling operation.

17. Lighting/Sound:

The rig and location will be totally lit during the night for working operations by portable temporary lights that will be focused on the rig and drilling location. There will not be any sound amplifications systems.

18. Landscaping: Since this is a temporary situation, no landscaping or fencing is proposed.

19. Additional information: See attached maps for reference.

20. Identify all Owners <u>Leased Mineral Owner</u>- Temblor Petroleum Company LLC <u>Mineral owners:</u> Pine Rock Investors LLC, Shirley Harnish Brinker Ned J Harnish, Ruth Hanish Hansen, Trustee Margie L Force, Lloyd Brinker, Linley Brinker-Harding Sloan McCormick, Jr Trustee 2008 The Schulman Foundation Glen C. Harnish Jr Britz, Inc Harnish Five-Points, Inc Surface owners David Britz Marilyn Britz Martin Britz Robert Glassman Linda Glassman David E Holland, as Trustee of the Jennifer Britz Trust dated, 8/21/2008 David E Holland, as Trustee of the Jamie Britz Trust 12/30/1980 David E Holland, as Trustee of the Rodney Glassman Trust dated, 11/19/1979 David E Holland, as Trustee of the Jeremy Glassman Trust dated, 12/30/1980 David E Holland, as Trustee of the Jeremy Glassman Trust dated, 12/30/1980 David E Holland, as Trustee of the Brett Bricker Britz Trust dated, 4/1/1990

TEMBLOR PETROLEUM COMPLANY, LLC

Mary Ha Mary Halpin Irani Engineering

Agent for Temblor Petroleum Company, LLC

5/23/17

Date



County of Fresno

DEPARTMENT OF PUBLIC WORKS AND PLANNING STEVEN E. WHITE, DIRECTOR

EVALUATION OF ENVIRONMENTAL IMPACTS

- APPLICANT: Temblor Petroleum Company, LLC
- APPLICATION NOS.: Initial Study Application No. 7319 and Unclassified Conditional Use Permit Application (CUP) No. 3581
- DESCRIPTION: Allow a three-phase project consisting of the drilling of up to ten petroleum oil/gas wells, two Class II wastewater injection/disposal wells and expansion of the existing approximately 2.1-acre well pad to approximately 7.2 acres to accommodate the proposed facilities on a 315.15-acre parcel in the AE-20 (Exclusive Agricultural, 20-acre minimum parcel size) Zone District.
- LOCATION: The subject parcel is located on the north side of Mount Whitney Avenue, between the Butte Avenue alignment and the Lake Avenue Alignment, approximately two miles west of the unincorporated community of Five Points (SUP. DIST. 1) (APN 050-080-11S).

I. AESTHETICS

- A. Would the project have a substantial adverse effect on a scenic vista; or
- B. Would the project substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a State scenic highway; or
- C. Would the project substantially degrade the existing visual character or quality of the site and its surroundings?

FINDING: LESS THAN SIGNIFICANT IMPACT:

This proposal consists of a three-phase project entailing the drilling of up to ten petroleum oil and natural gas wells and two Class II waste water injection/disposal wells and the expansion of an existing approximately 2.1-acre (350 feet by 250 feet) approved drill pad to approximately 7.2 acres (782 feet by 400 feet), to accommodate the proposed facilities.

The project will entail an approximate 5.1-acre expansion from its currently-approved size of approximately 2.1 acres. The proposal includes the installation of a temporary 152-foot-tall drilling rig, which will be on site for the duration of drilling operations.

DEVELOPMENT SERVICES DIVISION

2220 Tulare Street, Sixth Floor / Fresno, California 93721 / Phone (559) 600-4497 / 600-4022 / 600-4540 / FAX 600-4200 The County of Fresno is an Equal Employment Opportunity Employer



According to the Applicants operational statement, drilling could take up to 30 days per well; accordingly, the drill rig could be on site for up to 320+/- days.

Review of current aerial imagery indicates that the western half of the subject parcel is currently being utilized for field crops and the eastern half appears to be fallow. No scenic vistas or resources, including rock outcroppings or historic buildings, were identified by any of the reviewing agencies or departments. Additionally, the existing site is not located in the vicinity of a State scenic highway, nor would it substantially degrade the existing visual character or quality of the site and its surroundings. No scenic vistas or scenic resources were identified in the analysis.

The unincorporated community of Five Points and the intersection of State Route 145 (Fresno-Coalinga Road) and State Route 269 (Lassen Avenue) are located approximately two miles east of the subject parcel. San Luis Drain is located approximately two and one half-miles northeast of the subject parcel. The existing site and facilities have been developed, and authorized by CUP No. 3542 and CUP No. 3544.

The project site is located in the northeast corner of the subject parcel and takes access from West Mount Whitney Avenue, approximately 1,800 feet south of the project site, via the South Lake Avenue alignment, which is unimproved. The surrounding land is primarily flat open farmland consisting of large parcel sizes and commercial-scale agricultural operations. There is an agricultural fertilizer manufacturing operation located approximately one and one half-mile southeast of the project site.

Improvements to be made for the proposed well drilling will consist of the following: a 152-foot-tall temporary drilling rig, a pumping jack (15 feet to 18 feet tall when fully extended) which is located on the top of the wellhead, a temporary well cellar measuring 8 feet long by 6 feet wide by 8 feet in depth, a three-phase separator (5 feet by 3 feet by 10 feet), a heater/separator (if needed, 10 feet by 6 feet), two 1,000-barrel (42,000-gallon) storage tanks for water (21 feet by 16 feet), two 2,000-barrel (84,000-gallon) storage tanks (25 feet by 24 feet) for oil, and a flare stack.

The subject parcel is located in an agricultural area marked by relatively large parcel sizes and few residential land uses.

D. Would the project create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

FINDING: LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED:

The production area will utilize outdoor lighting during drilling operations which is potentially a new source of substantial light and glare and also has the potential for adversely affecting nighttime views in the area. A mitigation measure requiring that all lights will be hooded and directed downward will ensure that there are no significant impacts on surrounding properties. All drilling towers shall be marked and lighted in such a manner as to avoid potential safety hazards to aircraft application of herbicides and pesticides on adjacent farmland.

* <u>Mitigation Measure(s)</u>

1. All outdoor lighting shall be hooded and directed as not to shine toward adjacent properties and public streets.

II. AGRICULTURAL AND FORESTRY RESOURCES

A. Would the project convert prime or unique farmlands or farmland of state-wide importance to non-agricultural use?

FINDING: LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED:

The project site is located on land classified as Farmland of Statewide Importance on the Fresno County Important Farmlands Map (2014). The previous applications approved for this location removed approximately 2.1 acres of land from agricultural production, and this application proposes to expand the existing site by approximately 5.1 acres for a total of 7.2 acres. The remaining approximately 307 acres of land will remain available for agricultural use. Additionally, a mitigation measure will be included requiring that the project site be returned to its original condition upon cessation of operations.

* <u>Mitigation Measure(s)</u>

- 1. When drilling operations are complete, the Applicant shall return the project site (as much as practical) to its original condition, and all drilling equipment shall be removed within 90 days of termination of the drilling operations.
- B. Would the project conflict with existing agricultural zoning or Williamson Act Contracts?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The subject parcel is enrolled under Williamson Act Contract No. 1512. The project was reviewed by the Policy Planning Section of the Fresno County Department of Public Works and Planning, which determined that since the project will occupy only a small portion of the land under the contract, the removal of oil is a compatible use with land under Williamson Act Contract. The project site proposes expansion of the approved 2.1-acre drill pad. If approved, the project site will be enlarged to 7.2 acres, comprising just over two percent of the total acreage on the parcel, which continues to be farmed under Agricultural Land Conservation (Williamson Act) contract.

- C. Would the project conflict with existing zoning for or cause rezoning of forest land, timberland, or timberland zoned Timberland Production; or
- D. Would the project result in the loss of forest land or conversion of forest land to nonforest use; or

E. Would the project involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural uses or conversion of forest land to non-forest use?

FINDING: NO IMPACT:

The subject parcel is not located in an area of forest land, nor is it zoned for Timberland Production. Approval of an oil well will not encourage the conversion of additional farmland or any forest land away from their intended uses.

III. AIR QUALITY

- A. Would the project conflict with or obstruct implementation of the applicable Air Quality Plan; or
- B. Would the project violate any air quality standard or contribute to an existing or projected air quality violation; or
- C. Would the project result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under a Federal or State ambient air quality standard; or
- D. Would the project expose sensitive receptors to substantial pollutant concentrations?

FINDING: LESS THAN SIGNIFICANT IMPACT:

This project was reviewed by the San Joaquin Valley Air Pollution Control District (Air District), which reviews projects for compliance with emission regulations. No concerns were expressed by the Air District relating to the project's contribution to criteria pollutants in the Valley. The applicant will be required to apply for an Authority to Construct (ATC) from the Air District and will be subject to existing regulations. With the issuance of ATCs, the Air District monitors new sources of emissions to ensure compliance with national, state, and local emission standards.

E. Would the project create objectionable odors affecting a substantial number of people?

FINDING: NO IMPACT:

The current project site is located on a 2.1-acre portion of a 315.15-acre parcel and is set back from the property lines by at least 200 feet in every direction. Land uses in the area are large farming operations with few residential uses. Based on the project's distance from any sensitive receptors or other groups of people, there will be no impacts due objectionable odors.

IV. BIOLOGICAL RESOURCES

A. Would the project have a substantial adverse effect, either directly or through habitat modifications, on any candidate, sensitive, or special-status species; or

- B. Would the project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife (CDFW) or U.S. Fish and Wildlife Service (USFWS); or
- C. Would the project have a substantial adverse effect on federally-protected wetlands as defined by Section 404 of the Clean Water Act through direct removal, filling, hydrological interruption or other means; or
- D. Would the project interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites; or
- E. Would the project conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance; or
- F. Would the project Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local regional, or state habitat conservation plan?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The subject parcel is located in an agricultural area and has been previously disturbed, as said property has been historically utilized for agricultural cultivation. Additionally, neighboring properties have also been historically utilized for agricultural cultivation and, therefore, have also been previously disturbed. This proposal was referred to the U.S. Fish and Wildlife Service (USFWS), which did not identify any concerns related to the project. This proposal was also referred to the California Department of Fish and Wildlife (CDFW), which also did not identify any concerns. Therefore, no impacts were identified in regard to: any candidate, sensitive, or special-status species; riparian habitat or other sensitive natural community; Federally-protected wetlands; the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors; or impediment of the use of native wildlife nursery sites. This proposal will not conflict with any local policies or ordinances protecting biological resources or any provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state Habitat Conservation Plan. There is no expansion of the project site from the approved exploratory well, which was determined by Initial Study No. 6742 to have a less than significant impact on the environment.

V. CULTURAL RESOURCES

- A. Would the project cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5; or
- B. Would the project cause of substantial adverse change in the significance of an archeological resource pursuant to Section 15064.5; or

- C. Would the project directly or indirectly destroy a unique paleontological resource or site or unique geologic feature; or
- D. Would the project disturb any human remains, including those interred outside of formal cemeteries; or
- E. Would the project cause a substantial adverse change in the significance of a tribal cultural resource as defined in Public Resources Code Section 21074?

FINDING: LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED:

The subject parcel is not located in an area determined to be highly or moderately sensitive to archeological discoveries; however, the possibility of discovery remains. As such, a mitigation measure has been included which will require that if cultural resources are uncovered during ground-disturbing activity, all work shall be halted and an archeologist shall be called to evaluate the findings and necessary mitigation measures.

* Mitigation Measure(s)

1. In the event that cultural resources are unearthed during ground-disturbing activity, all work shall be halted in the area of the find. An Archeologist should be called to evaluate the findings and make any necessary mitigation recommendations. If human remains are unearthed during ground-disturbing activities, no further disturbance is to occur until the Fresno County Sheriff-Coroner has made the necessary findings as to origin and disposition. All normal evidence procedures should be followed by photos, reports, video, etc. If such remains are determined to be Native American, the Sheriff-Coroner must notify the Native American Commission within 24 hours.

VI. GEOLOGY AND SOILS

- A. Would the project expose people or structures to potential substantial adverse effects, including risk of loss, injury or death involving:
 - 1. Rupture of a known earthquake; or
 - 2. Strong seismic ground shaking; or
 - 3. Seismic-related ground failure, including liquefaction; or

4. Landslides? FINDING: NO IMPACT:

The area is designated as Seismic Design Category C in the California Geological Survey. No agency expressed concerns or complaints related to ground shaking, ground failure, liquefaction or landslides. Construction of the project will be subject to the Seismic Design Category C Standards. B. Would the project result in substantial erosion or loss of topsoil?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The subject parcel is generally flat, and while changes in topography and erosion may result from grading activities, it is not likely. Additionally, any grading performed as part of this project may require a permit or voucher issued by the County.

C. Would the project result in on-site or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

LESS THAN SIGNIFICANT IMPACT: FINDING:

The subject parcel is not located in an area at risk of landslides or lateral spreading according to the Fresno County General Background Report (FCGPBR), Figure 9-6. This Figure also shows that the project site is located in an area of deep subsidence. The Background Report discusses that subsidence in Fresno County has been historically caused by the over pumping of the groundwater basin, and notes that except in droughts, subsidence has generally stabilized. Since this project proposes to remove oil from the ground and does not propose an excessive drain on groundwater, it will have a less than significant impact on subsidence risks.

D. Would the project be located on expansive soils, creating substantial risks to life or property?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The subject parcel is not located in an area at risk of landslides or lateral spreading. The project site is located within the area of clay loam soils. Clay soils present a risk of expansion; however, the temporary nature and relatively small footprint of this project will prevent significant impacts.

E. Would the project have soils incapable of adequately supporting the use of septic tanks or alternative disposal systems where sewers are not available for wastewater disposal?

FINDING: NO IMPACT:

There is no septic proposed with this application. A portable sanitary facility will be present on site in lieu of permanent facilities.

VII. GREENHOUSE GAS EMISSIONS

- A. Would the project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment; or
- B. Would the project conflict with any applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

FINDING: LESS THAN SIGNIFICANT IMPACT: Compliance with Air District rules and regulations will reduce air quality impacts to a less than significant level. Review of this project by the Air District did not identify any specific concerns.

VIII. HAZARDS AND HAZARDOUS MATERIALS

- A. Would the project create a significant public hazard through routine transport, use or disposal of hazardous materials; or
- B. Would the project create a significant public hazard involving accidental release of hazardous materials into the environment?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The project proposes to extract, process, and transport oil and natural gas. Facilities proposing to use and/or store hazardous materials and/or hazardous wastes shall meet the requirements set forth in the California Health and Safety Code (HSC), Division 20, Chapter 6.95, and the California Code of Regulations (CCR), Title 22, Division 4.5. Any business that handles a hazardous material or hazardous waste may be required to submit a Hazardous Materials Business Plan pursuant to the HSC, Division 20, Chapter 6.95. All hazardous waste shall be handled in accordance with requirements set forth in the California COCR), Title 22, Division 4.5. This Division discusses proper labeling, storage and handling of hazardous wastes. With compliance to these existing regulations, the project will not have a significant adverse impact on the public through the use or transport of hazardous materials.

C. Would the project create hazardous emissions or utilize hazardous materials, substances or waste within one quarter-mile of a school?

FINDING: NO IMPACT:

The subject parcel is not located within a quarter-mile of a school.

D. Would the project be located on a hazardous materials site?

FINDING: NO IMPACT:

The subject parcel is not located on a Hazardous Waste Site according to the Certified Unified Program Agency list dated October 11, 2016, and the Superfund Enterprise Management System (SEMS), last updated on January 9, 2018, did not identify any Superfund sites in the vicinity.

- E. Would a project located within an airport land use plan or, absent such a plan, within two miles of a public airport or public use airport, result in a safety hazard for people residing or working in the project area; or
- F. Would a project located within the vicinity of a private airstrip result in a safety hazard for people residing or working in the project area?

The project site is not within an Airport Land Use Plan or in the vicinity of any public or private airport.

G. Would the project impair implementation of or physically interfere with an adopted Emergency Response Plan or Emergency Evacuation Plan?

FINDING: NO IMPACT:

This proposal will not impair the implantation of or physically interfere with an adopted Emergency Response Plan.

H. Would the project expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?

FINDING: NO IMPACT:

The project site is not located in an area at risk of wildfire.

IX. HYDROLOGY AND WATER QUALITY

A. Would the project violate any water quality standards or waste discharge requirements or otherwise degrade water quality?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The Division of Oil, Gas, and Geothermal Resources has reviewed this application and determined that with adherence to existing regulations which require leak-detection systems on all tanks and associated facilities, this application would not have a significant impact on water quality.

B. Would the project substantially deplete groundwater supplies or interfere substantially with groundwater recharge so that there would be a net deficit in aquifer volume or a lowering of the local groundwater table?

FINDING: NO IMPACT:

The Water and Natural Resources Division had no water quantity concerns.

- C. Would the project substantially alter existing drainage patterns, including alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on or off site; or
- D. Would the project substantially alter existing drainage patterns, including alteration of the course of a stream or river, in a manner which would result in flooding on or off site?

The project will not alter the course of a stream or river.

- E. Would the project create or contribute run-off which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted run-off; or
- F. Would the project otherwise substantially degrade water quality?

FINDING: LESS THAN SIGNIFICANT IMPACT:

All run-off from this parcel must be retained on site per County Standards, and with adherence to existing regulations requiring leak-detection systems on the tanks and the proposed berm around the storage tanks, no polluted water will enter the local system. This proposal was reviewed by the State Water Resources Control Board, Division of Drinking Water, who did not express any concerns with potential impacts to water quality.

G. Would the project place housing within a 100-year floodplain?

FINDING: NO IMPACT:

There is no housing proposed with this project.

H. Would the project place structures within a 100-year flood hazard area that would impede or redirect flood flows?

FINDING: NO IMPACT:

A portion of the parcel is in Flood Zone A according to FEMA FIRM Panel 2825 of 3525, last revised February 18, 2009; however, the proposed improvements are north of the flood area and therefore there are no impacts to structures placed within the flood hazard area.

I. Would the project expose persons or structures to levee or dam failure?

FINDING: NO IMPACT:

The subject parcel is not in an area at risk of flood by levee or dam failure, according to Figure 9-8 (FCGPBR).

J. Would the project cause inundation by seiche, tsunami or mudflow?

FINDING: NO IMPACT:

The subject parcel is not in an area at risk of inundation by seiche, tsunami, or mudflow.

- X. LAND USE AND PLANNING
 - A. Will the project physically divide an established community? FINDING: NO IMPACT:

The project site is located at least 200 feet from the property lines in every direction. There is no expansion from the site of the previously-approved exploratory well, and no established communities will be divided. The nearest community is the unincorporated area of Five Points, approximately two miles east of the project site.

B. Will the project conflict with any Land Use Plan, policy or regulation of an agency with jurisdiction over the project?

FINDING: NO IMPACT:

The extraction of oil is permitted in Fresno County with approval of an Unclassified Conditional Use Permit that is being processed concurrently with this Initial Study. Additionally, while the subject parcel is under a Williamson Act Contract, the use is compatible with the contract because the project site represents a small portion of the entire contract area. Therefore, the project is not in conflict with any Land Use Plan, policy, or regulation.

C. Will the project conflict with any applicable Habitat Conservation Plan or Natural Community Conservation Plan?

FINDING: NO IMPACT:

Review of the California Fish and Wildlife California Regional Conservation Plans map dated August 2015 determined that the project falls within the PG&E San Joaquin Valley Operation and Maintenance plan. Since that Plan applies only to PG&E projects, this well-drilling operation is not in conflict with that plan.

XI. MINERAL RESOURCES

- A. Would the project result in the loss of availability of a known mineral resource; or
- B. Would the project result in the loss of availability of a locally-important mineral resource recovery site designated on a General Plan?

FINDING: NO IMPACT:

The subject parcel is not located in an area designated by Figure 7-7 (FCGPBR) to be a locally-important mineral resource recovery site.

XII. NOISE

A. Would the project result in exposure of people to severe noise levels; or

- B. Would the project result in exposure of people to or generate excessive ground-borne vibration or ground-borne noise levels; or
- C. Would the project cause a substantial permanent increase in ambient noise levels in the project vicinity; or
- D. Would the project result in a substantial temporary or periodic increase in ambient noise levels?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The project is anticipated to increase ambient noise in the area due to the use of an onsite generator to run the on-site lighting. However, review by the Fresno County Department of Public Health, Environmental Health Division did not identify any concerns with the level of noise that would be produced. Additionally, the project is located in an area of large agricultural operations where the nearest residence is approximately 2,000 feet southeast of the project site, and there are no other improvements within a mile. The anticipated volume of noise will have a less than significant impact.

- E. Would the project expose people to excessive noise levels associated with a location near an airport or a private airstrip; or
- F. For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?

FINDING: NO IMPACT:

The subject parcel is not located in the vicinity of a public airport or private airstrip, and is not impacted by airport noise.

XIII. POPULATION AND HOUSING

- A. Would the project induce substantial population growth either directly or indirectly; or
- B. Would the project displace substantial numbers of existing housing; or
- C. Would the project displace substantial numbers of people, necessitating the construction of housing elsewhere?

FINDING: NO IMPACT:

The project will not directly or indirectly induce population growth, nor will it displace any existing housing. The project site is located in a 350- by 200-foot portion of a 315-acre parcel that is otherwise entirely dedicated to agricultural production.

XIV. PUBLIC SERVICES

- A. Would the project result in substantial adverse physical impacts associated with the provision of new or physically-altered public facilities in the following areas:
 - 1. Fire protection; or
 - 2. Police protection; or
 - 3. Schools; or
 - 4. Parks; or
 - 5. Other public facilities?

The project was reviewed by the Fresno County Fire Protection District and no adverse impacts to fire protection services were identified. The project was also reviewed by the Fresno County Sheriff-Coroner's office which did not identify any adverse impacts to Police protection services. No impacts to schools, parks, or other public facilities were identified by any reviewing agency.

XV. RECREATION

- A. Would the project increase the use of existing neighborhood and regional parks; or
- B. Would the project require the construction of or expansion of recreational facilities?

FINDING: NO IMPACT:

This project will have no impact on the use of neighborhood parks or require the expansion of recreational facilities.

XVI. TRANSPORTATION/TRAFFIC

- A. Would the project conflict with any applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation; or
- B. Would the project conflict with an applicable congestion management program, including, but not limited to, level of service standards and travel demands measures?

FINDING: LESS THAN SIGNIFICANT IMPACT:

This proposal was reviewed by the California Department of Transportation (CALTRANS) and the Design Division of the Fresno County Department of Public Works and Planning. Neither of these agencies expressed any concerns regarding the carrying capacities of the adjacent roadways, nor did either agency require a Traffic

Impact Study. The project is anticipated to require up to 10 vacuum trucks per day during peak well productivity.

C. Would the project result in a change in air traffic patterns? FINDING: NO IMPACT:

The project site is not in the vicinity of a public, private, or military airport.

D. Would the project substantially increase traffic hazards due to design features?

FINDING: LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED:

The nearest paved road with public access is West Mount Whitney Avenue, located approximately 1,800 feet south of the project site. Access to the well location will be from Mount Whitney Avenue via the Lake Avenue alignment, and a proposed 20-foot-wide on-site access road will connect the exploratory well location to the Lake Avenue alignment. CALTRANS, the Design Division and the Road Maintenance and Operations Division of the Fresno County Department of Public Works and Planning reviewed this proposal. None of the reviewing agencies/ departments identified any concerns regarding increased traffic hazards or emergency access. However, in order to minimize any impact to the adjacent roadway, the following mitigation measure will be included: A grizzly and/or gravel pad shall be installed to minimize sediment transport from vehicles and equipment entering onto the County roadway (Mount Whitney Avenue).

* Mitigation Measure(s)

- 1. Prior to commencing operations, a grizzly or gravel pad shall be installed on the Lake Avenue alignment where it intersects Mount Whitney Avenue, in order to minimize sediment transport from vehicles and equipment onto the roadway.
- E. Would the project result in inadequate emergency access; or
- F. Would the project conflict with adopted plans, policies or programs regarding public transit, bicycle or pedestrian facilities or otherwise decrease the performance or safety of such facilities?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The nearest paved road with public access is West Mount Whitney Avenue, located approximately 1,800 feet south of the project site. Access to the well location will be from Mount Whitney Avenue via the Lake Avenue alignment, and a proposed 20-footwide on-site access road will connect the exploratory well location to the Lake Avenue alignment. CALTRANS, the Design Division and the Road Maintenance and Operations Division of the Fresno County Department of Public Works and Planning reviewed this proposal. None of the reviewing agencies/ departments identified any concerns regarding increased traffic hazards or emergency access. However, in order to minimize any impact to the adjacent roadway, the following mitigation measure will be included:

A grizzly and/or gravel pad shall be installed to minimize sediment transport from vehicles and equipment entering onto the County roadway (Mount Whitney Avenue).

XVII. UTILITIES AND SERVICE SYSTEMS

- A. Would the project exceed wastewater treatment requirements; or
- B. Would the project require construction of or the expansion of new water or wastewater treatment facilities?

FINDING: NO IMPACT:

The produced water will be hauled away with a vacuum truck and injected in a certified commercial injection well. The project will not contribute to the volume at existing wastewater treatment facilities.

C. Would the project require or result in the construction or expansion of new storm water drainage facilities?

FINDING: NO IMPACT:

Fresno County regulations require that all storm water generated within the work area shall be retained on site. Therefore, no expansion of storm water drainage facilities is required.

D. Would the project have sufficient water supplies available from existing entitlements and resources, or are new or expanded entitlements needed?

FINDING: NO IMPACT:

This project was reviewed by the Fresno County Water and Natural Resources Division, which did not identify the need for additional water entitlements.

E. Would the project result in a determination of inadequate wastewater treatment capacity to serve project demand?

FINDING: NO IMPACT:

This project will not contribute wastewater to a wastewater treatment facility. Water will be trucked away and injected into a water-injection well.

- F. Would the project be served by a landfill with sufficient permitted capacity; or
- G. Would the project comply with federal, state and local statutes and regulations related to solid waste?

No solid waste will be generated at the site. A portable sanitary facility will be installed during operations and will be pumped out at an approved location.

XVIII. MANDATORY FINDINGS OF SIGNIFICANCE

A. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California prehistory or history?

FINDING: LESS THAN SIGNIFICANT IMPACT WITH MITIGATION INCORPORATED:

There is a less than significant impact on fish, other wildlife, and endangered plants and animals in the area due to the project's size and location within an agricultural field. Impacts to important examples of California history or prehistory have been reduced to less than significant with the incorporation of the mitigation measure as detailed in Section V.

B. Does the project have impacts that are individually limited, but cumulatively considerable?

FINDING: LESS THAN SIGNIFICANT IMPACT:

The proposed exploratory petroleum oil and natural gas well facility will adhere to permitting requirements, rules and regulations set forth by the San Joaquin Valley Air Pollution Control District, the California Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR), and the California Regional Water Quality Control Board (RWQCB). No cumulatively considerable impacts were identified in the analysis other than Aesthetics, Agricultural and Forestry Resources, Cultural Resources, and Transportation/Traffic which will be addressed with the mitigation measures discussed in Section I (Aesthetics), Section II (Agricultural and Forestry Resources), Section V (Cultural Resources), and Section XVI (Transportation/Traffic).

C. Does the project have environmental impacts which will cause substantial adverse effects on human beings, either directly or indirectly?

FINDING: NO IMPACT:

No such impacts were identified by the analysis.

CONCLUSION/SUMMARY

Based upon the Initial Study prepared for Conditional Use Permit Application No. 3581, staff has concluded that the project will not/will have a significant effect on the environment. It has

been determined that there would be no impacts to Land Use And Planning, Mineral Resources, Population and Housing, Public Services, Recreation, or Utilities and Service Systems.

Potential impacts related to Agricultural and Forestry Resources, Biological Resources, Greenhouse Gas Emissions, Hazards and Hazardous Materials, and Hydrology and Water Quality have been determined to be less than significant.

Potential impacts relating to Aesthetics, Cultural Resources, and Transportation/Traffic have determined to be less than significant with compliance with the listed mitigation measures.

A Mitigated Negative Declaration is recommended and is subject to approval by the decisionmaking body. The Initial Study is available for review at 2220 Tulare Street, Suite A (street level), located on the southwest corner of Tulare and "M" Street, Fresno, California.

JS

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File original and one copy with:			Space I	Below For County	Clerk	Only.			
Fresno County Clerk 2221 Kern Street									
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Agency File No: LOC			AL AGENCY		County Clerk File No:				
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Responsible Agency (Name):				E DECLARATION itreet and P.O. Box):		City: Zip Code:			
County of Fresno	22	20 Tulare St. Six	,			Fresno		93721	
Agency Contact Person (Name and Title):			Area Code:		Telephone Number:		Extension:		
Jeremy Shaw, Planner				(559)	600-4207		N/A		
Applicant (Name): Temblor Petroleum Co., LLC				Project Title: Unclassified Conditional Use Permit Application No. 3581					
Project Description:									
Allow a petroleum oil/gas production facility comprised of a three phase project; to allow the drilling of up to ten exploratory petroleum oil/gas wells, two waste water injection (disposal) wells and expansion of the existing 2.1- acre well pad to 7.2-acres to accommodate the proposed facilities, on a 315.15-acre parcel in the AE-20 (Exclusive Agricultural, 20-acre minimum parcel size) Zone District (APN 050-080-11S). Existing wells and facilities were previously approved by CUP3420, CUP3533, CUP3544 and CUP3542 respectively.									
Justification for Negative Declaration:									
Based upon the Initial Study prepared for Conditional Use Permit Application No. 3581, staff has concluded that the project will not/will have a significant effect on the environment. It has been determined that there would be no impacts to Land Use And Planning, Mineral Resources, Population and Housing, Public Services, Recreation, and Utilities and Service Systems.									
Potential impacts related to Agricultural And Forestry Resources, Biological Resources, Greenhouse Gas Emissions, Hazards and Hazardous Materials, and Hydrology and Water Quality, have been determined to be less than significant.									
Potential impacts relating to Aesthetics, Agricultural and Forestry Resources, Cultural Resources, Geology and Soils, Noise, and Transportation/Traffic have determined to be less than significant with compliance with the listed mitigation measures.									
FINDING: The proposed project will not have a significant impact on the environment.									
Newspaper and Date of Publication:				Review Date Deadline:					
Fresno Business Journal – January 31, 2018				Fe	February 29, 2018				
Date: Type or Print Signature:					Submitted by (Signature):				
3/19/2018 Jere	ny Sha	w, Planner							
State 15083, 15085 County Clerk File No.:									

LOCAL AGENCY MITIGATED NEGATIVE DECLARATION

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EXHIBIT 10