



# Monterey County

168 West Alisal Street,  
1st Floor  
Salinas, CA 93901  
831.755.5066

## Board Report

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Receive presentation by the California Department of Conservation regarding oil and gas extraction, with focus on state regulation of hydraulic fracturing, acid matrix stimulation, and acid well stimulation treatments.

### RECOMMENDATION:

Staff recommends the Board of Supervisors receive a presentation by the California Department of Conservation (DOC) on oil and gas extraction.


### SUMMARY:

The Division of Oil, Gas, and Geothermal Resources (DOGGR or 'division') of the State Department of Conservation (DOC) regulates the drilling, operation, maintenance and abandonment of oil and gas wells in California. Recent legislation, Senate Bill 4 (SB4), was signed by Governor Brown in September of 2013. It requires DOGGR to finalize and implement regulations governing well stimulation, including governing well construction and disclosure of the composition and disposition of well stimulation fluids. It also requires the state to prepare an EIR "to provide the public with detailed information regarding any potential environmental impacts of well stimulation in the state." (Public Resources Code section 3161(b)(3).) SB4 requires the regulations to be adopted by January 15, 2015 and the EIR to be certified by July 15, 2015. County of Monterey staff has been closely following this process and has submitted comments on the draft regulations and attended public meetings.

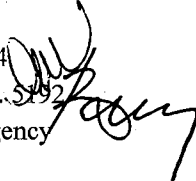
County staff has proposed revisions to the County inland zoning ordinance (Title 21) for the permitting of oil and gas wells. These amendments were heard at the Planning Commission in April of 2014, and the Planning Commission recommended adoption. These amendments would require property owners that propose the use of well stimulation treatments on new or existing wells to obtain a land use permit from the County prior to utilizing these well stimulation treatments. The Planning Commission also recommended that the Board consider adopting an interim ordinance temporarily prohibiting the exploration for and removal of oil and gas that use certain well stimulation treatments. The Planning Commission hearing engendered requests from some members of the public for more time to consider the proposals and for a workshop on the proposals prior to Board consideration of them.

Monterey County RMA staff invited the DOC to present a workshop at the Board of Supervisors' meeting to educate the public, stakeholders, and decision makers on well stimulation treatments and the proposed state regulations prior to the Board acting on local ordinances. Staff has requested DOC to describe the proposed state regulation of well stimulation and identify the role of various state agencies in regulation of this matter. The workshop should assist the County in determining what aspects remain within local control and

subject to County regulation, which will help inform the County decision-makers as they consider proposed County land use regulation of oil and gas extraction. Subsequent to this workshop, County staff intends to reexamine the draft amendments to Title 21 (inland zoning) and prepare an interim ordinance, bring these ordinances again to public hearing at the Planning Commission for recommendation, and lastly, bring the proposed ordinances to the Board of Supervisors for consideration. The hearings at the Planning Commission and Board of Supervisors will be duly noticed, and the public will have the opportunity to testify at the upcoming DOC workshop and subsequent public hearings.

Prepared by:  Grace Bogdan, Assistant Planner ext. 6414

Approved by: Mike Novo, Director, RMA-Planning, ext. 5192

Benny Young, Director Resource Management Agency 

This report was prepared with assistance by Jacqueline Onciano, Services Manager and reviewed by Mike Novo, Director of RMA-Planning

cc: Fire Protection Districts; RMA-Public Works Department; Parks Department; Environmental Health Bureau; Water Resources Agency; Agricultural Commissioner, Attn: Christina McGinnis; Monterey County Sheriff; Ed Mitchell, Tom Shields, Protect Salinas Valley; Neon Energy Corporation; Carla Musser, Chevron; Ron Chambers, Aera; Bruce Carter, Venoco; Gregory Meisinger, Aera; Daniel Padilla, Vintage Production California LLC; Steve Craig, Citizen Planning Alliance South Monterey County; Sustainable Pacific Grove; Maureen Wruck Consultants; Hollin Kretzmann, Center for Biological Diversity; Tupper Hull, Western States Petroleum Association; Sean Welch, Nielsen Merksamer; Vaughan Williams, Salinas Energy Corporation; Kevin Collins, Sierra Club Ventana Chapter; Steve Rowlee, Trio Petroleum; Ken Hunter, California Independent Petroleum Association; Miriam Rotkin-Ellman, Natural Resources Defense Council; Tia Leberz, Food and Water Watch; Nancy Isakson, Salinas Valley Water Coalition; Beverly Bean, League of Women Voters; Paula Getzelman, Southern Monterey County Rural Coalition; Luana Conley, Monterey County Against Fracking; Jason Retterer, L+G LLP; Tom Zehnder, Wallace Group; Wendy Strimling, Senior Deputy County Counsel; Jose Martinez-Saldana, Salinas United Business Association; Mike & Mary Orradre; Vicki Rosenberg; Diana Rudolph; Dennis Donohue, Royal Rose LLC; Paul Farmer, Salinas Valley Chamber of Commerce; William Lipe, NH3 Service Co; Norm Groot, Monterey County Farm Bureau; The Open Monterey Project (Molly Erickson); Jacqueline R. Onciano, Planning Services Manager; Grace Bogdan, Project Planner; LandWatch (Amy White); John H. Farrow; Janet Brennan; Ernie Mill; Planning File REF130053.