

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT
relative to the identification and evaluation of all urban oil drilling districts and their associated
Ordinances within Council District One.

Recommendations for Council action:

1. INSTRUCT the City Planning Department's (CPD) Zoning Administration Division and Board of Public Works to prepare and submit reports and determinations to start the termination process, in accordance with Los Angeles Municipal Code (LAMC) Section 13.01(J) for the following districts:
 - a. U-16
 - b. U-123
 - c. U-128
 - d. U-129
 - e. U-130
 - f. U-136
 - g. U-137
 - h. U-137A
 - i. U-153

2. REQUEST the City Attorney to prepare and present Ordinances terminating the following inactive Urban Oil Drilling Districts (UODD) pursuant to LAMC Section 13.01(J) inasmuch as said UODDs are inactive, have no current operations, no known oil wells, have no planned future oil and gas development, and meet the city's criteria for termination in accordance with LAMC Section 13.01(J); .terminating the following inactive urban oil drilling districts:
 - a. U-16
 - b. U-123
 - c. U-128
 - d. U-129
 - e. U-130
 - f. U-136

- g. U-137
- h. U-137A
- i. U-153

3. REQUEST the City Attorney to:

- a. Prepare and present an Ordinance repealing UODD U-140 pursuant to Charter Section 558.
- b. Prepare and present an Ordinance amending LAMC Section 13.01(J) to include a new section on the termination of an urban oil district with buried wells.

Fiscal Impact Statement: None submitted by the Office of Petroleum and Natural Gas Administration and Safety (OPNGAS). Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

Summary:

On August 21, 2018, your Committee considered an August 16, 2018 OPNGAS report relative to the identification and evaluation of all urban oil drilling districts and their associated Ordinances within Council District One. According to the OPNGAS, on December 13, 2017, Council instructed the OPNGAS, in conjunction with the CPD and City Attorney to provide a report addressing the following:

- 1. Identifying the UODDs and their associated Ordinances within Council District One.
- 2. Evaluating the UODDs and their associated Ordinances within Council District One, consistent with LAMC Section 13.01.
- 3. Identifying the inactive UODDs.

The OPNGAS conducted an extensive review and evaluation of UODDs within Council District One and its report, attached to the Council file, identifies extensive details of oil districts, oil wells, well status, existing and past operators, maps, and associated ordinances within the council district.

LAMC Section 13.01 establishes oil districts land use code in the City and as such, oil districts are areas in the City of Los Angeles where the drilling of wells for the production of oil, gases or other hydrocarbon substances are permitted. The oil districts are categorized into three types within the City: Non-urbanized area; Offshore area; and Urbanized area. A Los Angeles City Oil Field Area is described as, "all land in the City within the areas identified on the maps in Ordinance No. 156,166 (Council File No. 80-3951) and shall include all oil producing zones beneath those areas but no deeper than the third zone beneath the surface of the earth."

"Non-urbanized Areas" are all those portions of the City which the City Planning Commission or Council has determined will not be detrimentally affected by the drilling, maintenance, or operation of oil wells. In making its determination, the City Planning Commission, or the Council on appeal, shall give due consideration to the amount of land subdivided, the physical improvements, the density of population and the zoning of the district. "Offshore Areas" shall mean all property in the City which is between the mean high tide line and the outermost seaward City boundary, such as the Harbor District or Venice Beach. Finally, "Urbanized Areas" are all land in the City, except land in the M3 Zone, and land which has been determined to be Non-urbanized Area by the City Planning Commission or Council or land located in the "Los Angeles City Oil Field Area".

An oil well is any well or hole already drilled, being drilled or to be drilled into the surface of the earth which is used or intended to be used in connection with coring, or the drilling for prospecting for or producing petroleum, natural gas or other hydrocarbon substances, or is used or intended to be used for the subsurface injection into the earth of oil field waste, gases, water or liquid substances, including any such existing hole, well or casing which has not been abandoned in accordance with the requirements of Article 7 of Chapter 5 of the LAMC. The City of Los Angeles classifies oil wells as either an Oil Well Class A or Class B. An Oil Well Class A is any oil well drilled, conditioned arranged, used or intended to be used for the production of petroleum. An Oil Well Class B is any oil well drilled, conditioned, arranged, used or intended to be used only for the subsurface injection into the earth of oil field waste, gases, water, or liquid substances.

The OPNGAS then noted that the California Division of Oil, Gas, and Geothermal Resources (CA DOGGR) defines the current status of oil and gas wells as: Active, Buried, Idle, New, Plugged and Unknown and as such, they are each defined as the following:

- Active Wells are oil and gas wells that have been drilled and completed.
- Buried Wells are historically abandoned wells that pre-date current records and may not be abandoned to current standards.
- Idle wells are active wells that are not producing, but are capable of being reactivated.
- New wells are recently permitted wells and may be in the drilling state of development.
- Plugged wells have been plugged with cement and abandoned to current standards.
- Unknown wells have little to no information and are from the pre-1976 era of wells drilled within the City.

According to the CA DOGGR database as of March 2018, there are 705 oil wells in Council District one and a detailed list is included in the OPNGAS report. Also, it was noted that Council and the CPD have established over the years 13 Urban Oil Districts in Council District One and each Oil District was established by municipal ordinance. A table detailing the specific districts is included in the OPNGAS report.

After further consideration and having provided an opportunity for public comment, the

Committee moved to recommend approval of the recommendations contained in the August 16, 2018 OPNGAS report, as amended, and detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
KORETZ:	YES
KREKORIAN:	YES
CEDILLO:	YES
O'FARRELL:	ABSENT

ARL
8/21/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-