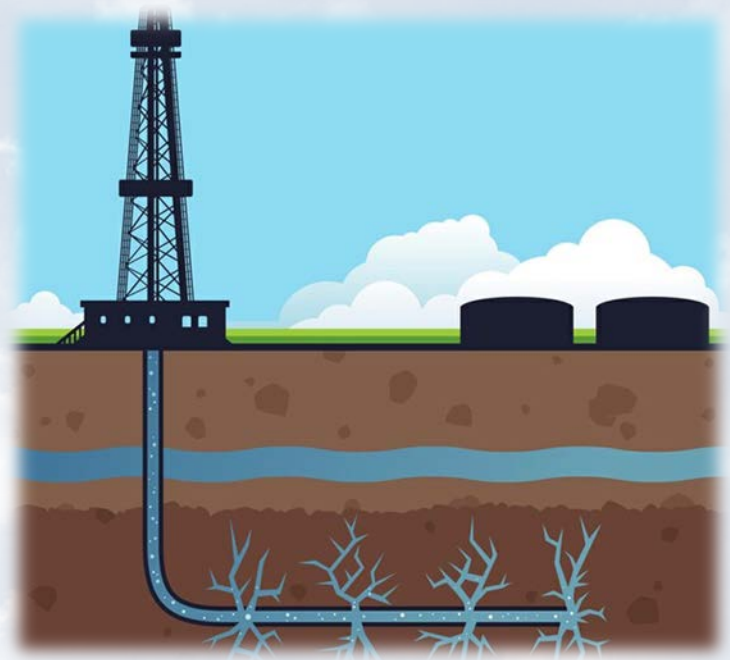


SB 4 Memorandum of Agreement

**Board of Directors
Santa Barbara County
Air Pollution Control District**

**Michael Goldman
Engineering Division Manager**

January 15, 2015



SB 4 Timelines

- SB 4: Oil and Gas - Well Stimulation
 - Signed by Governor Brown 9/20/13.
 - DOGGR is the California Department of Conservation's Division of Oil, Gas and Geothermal Resources.
 - Interim Regulations in place since 1/1/14.
 - Final Regulation recently approved 12/31/14. Becomes effective 7/1/15.
 - Required Scientific Study delayed - was due 1/1/15.
 - EIR to analyze impacts of well stimulation due 7/1/15.

What is Covered?

- SB 4 “Well Stimulation” treatments include:
 - Hydraulic Fracturing
 - Acid Fracturing
 - Acid Matrix Stimulation
- The following are not subject to SB 4:
 - Steam flooding
 - Water flooding
 - Cyclic steam injection
 - Routine well cleanout work / maintenance

2014 Fracking Activities in California

<u>County</u>	<u>Hydraulic Fracture</u>	<u>Acid Matrix</u>	<u>Total</u>
Fresno	2	0	2
Kern	1,193	54	1,247
Kings	1	1	2
Ventura	<u>4</u>	<u>0</u>	<u>4</u>
	1,200	55	1,255

DOGGR Regulation

- Permit required
- Neighbor notification and water testing
- Well monitoring during/after treatment process
- Seismic monitoring
- Disclosure of well stimulation fluids used
- Handling of trade secrets
- Handling and storage of well stimulation fluids
- Post treatment report
- Inter-Agency information sharing

Memorandum of Agreement

- Assist DOGGR in identifying the types of information in a final Well Stimulation Treatment permit (issued by DOGGR) that are relevant for purposes of regulating air quality. The MOA allows up to 45 days for air districts to review DOGGR Well Stimulation Permit applications.
- Engage with DOGGR, CARB and other air districts in efforts to cross-train each other's staff to enhance field investigations designed to ensure compliance with Well Stimulation Treatment permits.
- District will notify DOGGR of any potential or actual violations of DOGGR regulations or the Well Stimulation Treatment permit requirements identified during our inspection activities.
- If the District issues a Notice of Violation relating to a well stimulation activity that involves stationary sources, the District shall provide a copy to DOGGR.

Recommendations

Adopt a Resolution which will result in the following actions:

- Authorize the Air Pollution Control Officer to execute the Memorandum of Agreement (MOA) with the Department of Conservation, Division of Oil, Gas, and Geothermal Resources and the California Air Resources Board; and
- Delegate authority to the Air Pollution Control Officer to make future administrative changes to the MOA.

Questions?

