PLANNING DEPARTMENT TRANSMITTAL TO THE CITY CLERK'S OFFICE

CITY PLANNING CASE:	ENVIRONMENTAL CASE:		COUNCIL DISTRICT:					
CPC-2022-4864-CA	ENV-2022-4865-MND		ALL					
RELATED CASE NOS.		COUNCIL FILE NO:						
		17-0447						
⊠ N/A		□ N/A						
PROJECT ADDRESS / LOCATION:								
Citywide								
APPLICANT:	TELEPHON	E NUMBER:	EMAIL ADDRESS:					
City of Los Angeles 200 N. Spring Street Los Angeles, CA 90012 N/A New/Changed	N/A		N/A					
APPLICANT'S REPRESENTATIVE:	TELEPHONE NUMBER:		EMAIL ADDRESS:					
⊠ N/A								
APPELLANT:	TELEPHON	E NUMBER:	EMAIL ADDRESS:					
⊠ N/A								
APPELLANT'S REPRESENTATIVE:	TELEPHONE NUMBER:		EMAIL ADDRESS:					
⊠ N/A								
PLANNER CONTACT:	TELEPHONE NUMBER:		EMAIL ADDRESS:					
Lilian Rubio	(213) 978-1840		lilian.rubio@lacity.org					
ITEMS FOR CITY COUNCIL CONSIDERAT	ION (IE. ENT	TITLEMENTS, LEGISLATIVE	E ACTIONS):					
Code Amendment (CA); Environmental Clearance (Mitigated Negative Declaration)								
FINAL ENTITLMENTS NOT ADVANCING FOR CITY COUNCIL CONSIDERATION:								
(UNAPPEALED OR NON-APPEALABLE ITEMS) ☑ N/A								
ITEMS APPEALED:								
⊠ N/A								

ATTACHMENTS:	REVISED:	ENVIRONMENTAL DOCUMENT:	REVISED:			
□ Letter of Determination		☐ Categorical Exemption (CE)				
⊠ Findings of Fact		(Notice of Exemption)				
⊠ Staff Recommendation Report		☐ Statutory Exemption (SE) (Notice of Exemption)				
☐ Conditions of Approval		☐ Negative Declaration (ND)				
☐ T Conditions		☑ Mitigated Negative Declaration (MND)				
□ Proposed Ordinance		☐ Environmental Impact Report (EIR)				
\square Zone Change Map and Ordinance		☐ Mitigation Monitoring Program (MMP)				
☐ GPA Resolution		☐ Sustainable Communities				
☐ Land Use Map		Project Exemption (SCPE)				
☐ Exhibit A – Plans		☐ Sustainable Communities Environmental Assessment (SCEA)				
⊠ Mailing List		☐ Sustainable Communities				
☑ Interested Parties List		Environmental Impact Report (SCEIR)				
☐ Appeal		☐ Appendices				
☐ Development Agreement		□ Other:				
☐ Site Photographs						
☐ Other:						
NOTES / INSTRUCTIONS:						
⊠ N/A						
FISCAL IMPACT STATEMENT:						
☐ Yes		⊠ No				
*If determination states administrative costs are recovered through fees, indicate "Yes."						
PLANNING COMMISSION:						
☑ City Planning Commission (CPC)		☐ North Valley Area Planning Commission				
☐ Cultural Heritage Commission (CHC)		☐ South LA Area Planning Commission				
☐ Central Area Planning Commission		☐ South Valley Area Planning Commission				
☐ East LA Area Planning Commission		☐ West LA Area Planning Commission				
☐ Harbor Area Planning Commission						
PLANNING COMMISSION HEARING DATE:		COMMISSION VOTE:				
September 22, 2022		6 – 0				
LAST DAY TO APPEAL:		DATE APPEALED:				
N/A		N/A				
TRANSMITTED BY:		TRANSMITTAL DATE:				
Cecilia Lamas Commission Executive Assistant		September 26, 2022				



LOS ANGELES CITY PLANNING COMMISSION

200 North Spring Street, Room 272, Los Angeles, California, 90012-4801, (213) 978-1300 www.planning.lacity.org

LETTER OF DETERMINATION

MAILING DATE: SEPTEMBER 26, 2022

Case No. CPC-2022-4864-CA Council District: Citywide

CEQA: ENV-2022-4865-MND

Plan Area: Citywide

Project Site: Citywide

Applicant: City of Los Angeles

At its meeting of **September 22**, **2022**, the Los Angeles City Planning Commission took the actions below in conjunction with the approval of the following Code Amendment:

An ordinance amending Sections 12.03, 12.20, 12.23, 12.24, and 13.01 of the Los Angeles Municipal Code (LAMC) to prohibit new oil and gas drilling activities and make existing extraction a nonconforming use in all zones. The proposed Oil and Gas Drilling Ordinance would phase out all oil drilling activities in the City of Los Angeles by immediately banning new oil and gas drilling and requiring the phase out of existing operations after an amortization period.

- 1. Recommended, that the City Council adopt the Mitigated Negative Declaration pursuant to CEQA Guidelines Section 15074(b); Consider the whole of the administrative record to date, including the Mitigated Negative Declaration, No. ENV-2022-4865-MND ("Mitigated Negative Declaration"), and all comments received, with the imposition of mitigation measures; Find there is no substantial evidence that the Project will have a significant effect on the environment; Find the Mitigated Negative Declaration reflects the independent judgment and analysis of the City; Find the mitigation measures have been made enforceable conditions on the Project; and Adopt the Mitigated Negative Declaration and the Mitigation Monitoring Program prepared for the Mitigated Negative Declaration;
- 2. Approved and Recommended that the City Council adopt the proposed Ordinance;
- Recommended that the City Council instruct that the proposed Ordinance be incorporated into the New Zoning Code, subject to changes to conform to the format and style of the New Zoning Code;
- 4. Adopted the Staff Recommendation Report as the Commission's Report on the subject; and
- 5. **Adopted** the Amended Findings.

The vote proceeded as follows:

Moved: Dake Wilson

Second: Leung

Ayes: Choe, Hornstock, Perlman, Millman Absent: Campbell, López-Ledesma, Mack

Vote: 6-0

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Cecilia Lamas (Electronic Signature due to COVID-19)

Cecilia Lamas, Commission Executive Assistant Los Angeles City Planning Commission

Fiscal Impact Statement: There is no General Fund impact as administrative costs are recovered through fees.

<u>Effective Date/Appeals:</u> The decision of the Los Angeles City Planning Commission is final and not appealable.

If you seek judicial review of any decision of the City pursuant to California Code of Civil Procedure Section 1094.5, the petition for writ of mandate pursuant to that section must be filed no later than the 90th day following the date on which the City's decision became final pursuant to California Code of Civil Procedure Section 1094.6. There may be other time limits which also affect your ability to seek judicial review.

Attachments: Proposed Ordinance, Amended Findings

c: Arthi Varma, Deputy Director Nicholas Maricich, Principal City Planner Courtney Shum, Senior City Planner Lilian Rubio, City Planner Edber Macedo, City Planner Jenny Torres, Planning Assistant

ORDIN	NANCE	NO.			

An ordinance amending Sections 12.03, 12.20, 12.23, 12.24, and 13.01 of the Los Angeles Municipal Code (LAMC) in order to establish provisions and procedures to prohibit new oil and gas extraction and make existing extraction activities a noncomforming use in all zones.

WHEREAS, activities related to oil and gas extraction operations have been associated with many potential health and safety impacts, especially when they occur in close proximity to sensitive uses such as homes, schools, places of worship, recreation areas, and healthcare facilities;

WHEREAS, historical injustices have been incurred upon frontline communities and communities of color from exposure to known public health and safety hazards of oil drilling;

WHEREAS, activities related to oil and gas extraction operations have a negative effect on surrounding communities that include land use impacts such as elevated noise levels, frequent odor events, increased emissions exposure, spill incidents affecting the public right-of-way, truck traffic congestion on local streets, removal of on-street parking, and traffic congestion on local streets and lack of effective screening for drill site equipment;

<u>WHEREAS</u>, a priority has been placed on the national, statewide, and local levels to become energy efficient and independent;

WHEREAS, the City is prioritizing policies addressing climate change and increased awareness of environmental justice to promote equity and clean air for all neighborhoods;

WHEREAS, a core principle of zoning in Los Angeles is to protect citizens' health, safety, and welfare;

WHEREAS, though the Conservation Element provides a map of the various oil fields in the City and discusses petroleum as a resource, the City does not consider petroleum to be a mineral resource of local importance and considers the activities associated with its extraction to be detrimental to public, health and safety and the environment.

WHEREAS, this is reflected in recent City initiatives and ordinances such as the Green New Deal, Clean Up Green Up (LAMC 13.18 eff. June, 2016) and in policies included in the updates to the Health and Safety elements of the City's General Plan adopted on November 24, 2021, including Health Element policy 5.4 and Safety Element policies 1.2.2 and 1.2.7.

WHEREAS, furthermore, this Ordinance is consistent with Conservation Element, Section 19 policies 1 and 3 to "encourage conservation of petroleum," and to "protect

neighborhoods from potential accidents and subsidence associated with [petroleum] drilling, extraction and transport operations..."

WHEREAS, although oil production was a defining feature of Los' Angeles' early development, the need to improve the City's overall livability takes priority.

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Section 1. A definition is deleted from Section 12.03 of the LAMC as follows:

TEMPORARY GEOLOGICAL EXPLORATORY CORE HOLE. A seismic test hole or exploratory core hole used or intended to be used exclusively for geophysical, geological, and other exploratory testing for oil, natural gas or other hydrocarbon substances. (Amended by Ord. No. 152,744, Eff. 9/10/79.)

Section 2. Subdivision 17 of Subsection A of Section 12.20 of the LAMC is deleted in its entirety.

17. (None) Oil drilling and production of oil, gas or hydrocarbons, except that oil drilling and production of oil, gas and hydrocarbons within 500 feet of a more restrictive zone shall be subject to the provisions of Subsection A and H of Section 13.01 of this article.

Section 3. Subdivision 4 of Subsection C of Section 12.23 of the LAMC is amended as follows:

C. Nonconforming Use Of Land

4. Oil Wells.

- (a) All oil wells (as defined pursuant to LAMC Section 13.01 B), including those operating pursuant to any discretionary permit in all zones, whether by ordinance or approval of a Zoning Administrator, and all oil wells in an M3 Zone, are nonconforming uses as of the effective date of the ordinance. No new well for the production of oil, gas or other hydrocarbon substances may be drilled in any zone. No existing well for the production of oil, gas or other hydrocarbon substances, which is a nonconforming use, shall be maintained, drilled, re-drilled, or deepened, except to prevent or respond to a threat to public health, safety, or the environment, as determined by the Zoning Administrator.
- (b) The operation of aAll such wells, including any incidental storage tanks and drilling or production equipment, shall cease be completely removed

within 20 years from June 1, 1946, or within 20 years from the effective date of the ordinance deeming such uses became nonconforming, if said date was subsequent to June 1, 1946; provided, however, a Zoning Administrator may, upon individual application, allow such wells to continue to operate after said removal date, if he determines that such continued operation would be reasonably compatible with the surrounding area and in connection therewith may impose such conditions, including time limitations, as he deems necessary to achieve such compatibility.

- (c) (None) Notwithstanding the above, in the Los Angeles City Oil Field such wells may continue operation provided an application is filed with the Office of Zoning Administration on or before November 1, 1986 and is subsequently approved. Any well operator may reapply for Zoning Administrator approval after November 1, 1986 provided the prior approval has not expired.
- (d) After the time period set forth in LAMC Section 12.23 C.4(b), all nonconforming oil wells shall be abandoned in a manner consistent with and in strict accordance with all applicable local, state, and federal laws, regulations, rules, and standards.
- (e) If an oil well is abandoned, or its operation is discontinued or idled for a continuous period of six months, such use shall be deemed terminated.
- (f) A well operator as defined by Public Resources Code Section 3237 shall comply with the mitigation measures and mitigation monitoring program adopted with Ordinance No. in the plugging and abandoning of all wells.
- **Section 4.** Subdivision 18 of Subsection U of Section 12.24 of the LAMC is deleted in its entirety.
 - 18. (None) Onshore installations required in connection with the drilling for or production of oil, gas or hydrocarbons when the installations are permitted by the conditions of the offshore oil drilling district which is to be served.
- **Section 5.** Subdivision 47 of Subsection W of Section 12.24 of the LAMC is deleted in its entirety.
 - 47. (None) Temporary geological exploratory core holes in all zones except the M3 Zone. The Zoning Administrator may approve the use of a site for a period of time deemed necessary to drill, test and abandon temporary geological exploratory core hole(s) provided that the time period may not exceed 200 days

unless the Zoning Administrator finds that the drilling activities cannot be completed within 200 days due to depth, or deviation, or number of temporary geological exploratory core hole(s) to be drilled. However, in no event shall the Zoning Administrator increase the time period beyond 200 days by more than an additional 165 days.

Section 6. Subsection A of Section 13.01 of the LAMC is amended as follows:

A. Application. The provisions of this section shall apply to the districts <u>established by ordinance</u> and to remain until said district is terminated in accordance with City Charter <u>Section 558</u>, where the <u>drilling of oil wells or the production from the wells of oil, gases or other hydrocarbon substances are permitted.</u> The provisions of this section shall not apply to the property in the M3 Zone, except as specifically provided here to the contrary. The provisions of this section shall not apply to the location of subterranean gas holding areas <u>or oil wells</u> which are operated as a public utility <u>regulated by the California Public Utilities Commission</u> and which are regulated by the provisions of Section 14.00 of this Code.

Section 7. Subsection B of Section 13.01 of the LAMC is amended as follows:

"Controlled Drilling Site" shall mean that particular location within an oil drilling district in an "Urbanized Area" upon which surface operations for the drilling, deepening or operation of an oil well or any incidental operation are permitted under the terms of this section, subject to the conditions prescribed by written determination by the Zoning Administrator

"Drilling and Production Site in the Los Angeles City Oil Field Area" shall mean locations within an oil drilling district in the "Los Angeles City Oil Field Area" upon which surface operations for the drilling, deepening or operation of an oil well or any operation incident thereto, are permitted under the terms of this section, subject to the conditions prescribed by written determination by the Zoning Administrator.

"Los Angeles City Oil Field Area" shall mean all land in the City within the areas identified on the maps in Ordinance No. 156,166 located in 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.

"Nonurbanized Area" shall mean 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 Area" shall mean all property in the City of Los Angeles which is between the mean high tide line and the outermost seaward City boundary.

"Oil Well" shall mean 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 this the Los Angeles Fire Code except any well operated by a public utility regulated by the California Public Utilities Commission.

"Oil Well Class <u>I or A</u>" shall mean any oil well drilled, conditioned, arranged, used or intended to be used for the production of petroleum.

"Oil Well Class <u>II or</u> B" shall mean 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.

"Producing Zone" shall mean a reservoir or series of reservoirs of sufficient thickness and productivity of hydrocarbons as to form an economic source of supply and which is segregated from other reservoirs or series of reservoirs by natural boundaries or barriers to such an extent as to make its separate development either economically or mechanically desirable in accordance with good oil field practice.

"Urbanized Area" shall mean all land in the City, except land in the M3 Zone, and land which has been determined to be "Nonurbanized Area" by the City Planning Commission or Council or land located in the "Los Angeles City Oil Field Area".

Section 8. Subsection C of Section 13.01 of the LAMC is deleted in its entirety.

C. (None) Status of Areas. Where uncertainty exists as to whether or not a particular area shall be continued as an urbanized area, any person contemplating filing a petition for the establishment of an oil drilling district, may prior to its filing, request the City Planning Commission to determine the status of the area in which the proposed district is to be located. The Commission shall refer the request to the Director of Planning for investigation and upon receipt of his or her report shall determine whether the area is "Urbanized" or "Nonurbanized". The determination of the City Planning Commission may be appealed to the Council, which may, by resolution, approve or disapprove the determination.

Section 9. Subsection D of Section 13.01 of the LAMC is deleted in its entirety.

D. (None) Requirements for Filing:

1. Non-urbanized Areas – Each application for the establishment of an oil drilling district in an non-urbanized area shall include property having a net area or not less than one acre (excluding public streets, alleys walks or ways, except that an application may be filed on property containing less than one acre which is surrounded on all sides by streets. Such property may consist of one or more parcels of land which must be contiguous, except that said parcels may be separated by a public alley or walk.

2. Urbanized Areas

(a) Each application for the establishment of an oil drilling district in an urbanized area shall contain a statement that the applicant has the proprietary or contractual authority to drill for and produce oil, gas or other hydrocarbon substances under the surface of at least 75 per cent of the property to be included in said district.

Any municipal body or official required by law to consider and make a report or recommendation relative to or to approve or disapprove such application may request the applicant in writing to submit for inspection copies of leases and contracts held by applicant in support of such asserted proprietary or contractual authority. The limitations of time for acting upon such application shall be suspended from the time of mailing such request until the documents requested have been submitted.

- (b) Where said authority to drill for and produce oil, gas and other hydrocarbons is pursuant to contract, said application shall be accompanied by a copy thereof, and said contract shall have attached thereto and referred to therein by reference the following information for the contracting parties:
 - (1) A summary of the provisions of the Los Angeles Municipal Code, as amended, which are applicable to the district, prepared or approved by the Board of Public Works or its designee;
 - (2) Any additional information which the person in charge of Petroleum Administration finds from time to time is required to give all contracting parties a reasonably complete knowledge of oil and gas leasing requirements and procedures in urbanized areas within the City of Los Angeles.
- (c) The district described in said application shall be not less than 40 acres in area, including all streets, ways and alleys within the boundary thereof; shall be substantially compact in area; and the boundaries thereof shall follow public streets, ways or alleys as far as practicable.
- (d) Each applicant for the establishment of an oil drilling district in an urbanized area shall be accompanied by a report from a petroleum geologist who
 - (1) is an active member of the American Association of Petroleum Geologists or the American Institute of Professional Geologists or
 - (2) meets the educational and experience requirements to become an active member of the American Association of Petroleum Geologists or the American Institute of Professional Geologists, that the production of oil from under the proposed district would not, in his or her opinion, result in any noticeable subsidence. If the City's authorized person in charge of Petroleum Administration disagrees in any way with the report, he or she shall submit in

writing his or her own views on the report as part of the report to the City Planning Commission.

- 3. Offshore Areas. Each application for the establishment of an oil drilling district in an offshore area shall include property having a net area of not less than 1,000 acres.
- 4. Los Angeles City Oil Field Area. Each application for the establishment of an oil drilling district in the Los Angeles City Oil Field Area shall:
 - (a) Include property not less than one acre in size, bounded on each side by a public street, alley, walk or way and such district shall be wholly contained within the Los Angeles City Oil Field Area.
 - (b) Contain a statement that the applicant has the proprietary or contractual authority to drill for and produce oil, gas or other hydrocarbon substances under the surface of at least 75% of the total land area of the property to be included in said district.

Any municipal body or official required by law to consider and make a report or recommendation relative to or to approve or disapprove such application may request the applicant in writing to submit for inspection copies of leases and contracts held by applicant in support of such asserted proprietary or contractual authority. The limitations of time for acting upon such application shall be suspended from the time of mailing such request until the documents requested have been submitted.

[Editor's note: Maps formerly referred to in this section were deleted by Ord. No. 177,103, Eff. 12/18/05.]

5. General - All Areas. No application for the establishment of an oil drilling district shall be accepted for filing in the City Planning Department unless it has first been submitted to and reported on by the authorized person in charge of Petroleum Administration. The report shall consider the propriety of the proposed boundaries of the district, the desirability of the drill site location and whether or not the exploration for oil is geologically justified in the district. The report shall be made within 30 days of the receipt of the application. A copy of the report shall accompany the application when it is filed with the City Planning Department.

Section 10. Subsection E of Section 13.01 of the LAMC is amended as follows:

- E. **Standard Conditions.** These Standard Conditions remain only to the extent that they are incorporated by ordinance through the establishment of an oil drilling district:
 - 1. **Non–urbanized Areas** Each oil drilling district established in a non–urbanized area shall be subject to the following conditions:

- (a) Each district shall contain a net area of one acre or more which shall be composed of contiguous parcels of land that may be separated by an alley or walk, except that a district may contain an area of less than one acre where it is surrounded on all sides by streets.
- (b) Each drilling site in any district shall contain a net area of one acre or more and shall be composed of contiguous parcels of land which may be separated only by an alley or walk. A drilling site may contain less than one acre of area where it is surrounded on all sides by public or approved private streets.

Only one oil well Class I or A may be established or maintained on each acre of land, except that there may be one oil well Class Lor A on any land surrounded on all sides by public or approved private streets. Provided, however, in determining conditions for drilling pursuant to former Subsection H, the Zoning Administrator may permit surface operations for more than one oil well Class I or A in a semi-controlled drilling site where the additional wells are to be bottomed under adjacent land in a drilling district in lieu of surface operations. There shall be no less than one net acre of land in the combined drill site and production site for each well in a semi-controlled drilling site. The Zoning Administrator shall require a site of more than one acre for each oil well where a larger area is required in the particular oil drilling district. The Zoning Administrator may require larger minimum drilling sites or production areas when reasonably necessary in the public interest for a particular oil producing section.

Where drilling sites greater than one acre are required and two or more lessees or oil drilling developers in a block or area have at least one net acre each, but all lessees or developers do not have the greater area required for drilling under these regulations, the Zoning Administrator shall equitably allocate permitted wells among the competing lessees or developers. Where necessary, the lessee or developer having control of the larger portion of the property shall be given preference. In those situations outlined above, in addition to the proration required by Paragraph (d) of this subdivision, the Zoning Administrator shall require that the lessee or developer who is authorized to drill the well shall offer an equitable consolidation agreement to the lessee or developer who has not been permitted to drill. This consolidation agreement shall contain an offer in writing, open for acceptance for 30 days, giving the other lessees or developers a choice of either:

- a lease on terms and conditions agreed upon, or on substantially the same terms and conditions contained in leases owned by the applicant; or,
- (ii) a consolidation agreement agreed upon providing that each lessee or developer shall contribute to the cost of drilling and operation of the well and share in the production from the well in

the proportion that the area of his property bears to the total area in the drilling unit.

- (c) No public street, alley, walk or way shall <u>be</u> he included in determining the net area within any district or drilling site.
- (d) Where the drilling site is so located as to isolate any parcel of land in the drilling district in such a manner that it could not be joined with any other land so as to create another drilling site of the area required in the particular district in which it is located, the Zoning Administrator shall require, as a condition to the drilling and production on the drilling site that the owner, lessee or permittee or his or her successor shall pay to the owners of the oil and gas mineral rights in each isolated parcel, a pro-rata share of the landowners' royalty in all of the oil and gas produced from the drilling site, the share to be in that proportion as the net area of the isolated parcel is to the total net area of the drilling site plus the area of all the isolated parcels; provided that the landowners' royalty shall be determined in accordance with any existing contracts for payments to the landowners of the drilling site, but, in no event, as to the owner of the isolated parcel or parcels, shall it be less than a 1/6th part of the oil and gas produced and saved from the drilling site.
- 2. **Urbanized Areas** Each oil drilling district established in an urbanized area shall be he subject to the following conditions:
 - (a) Each district shall be not less than 40 acres in area, including all streets, ways and alleys within the boundaries thereof.
 - (b) Not more than one controlled drill site shall be permitted for each 40 acres in any district and that site shall not be larger than two acres when used to develop a district approximating the minimum size; provided, however, that where the site is to be used for the development of larger oil drilling districts or where the Zoning Administrator requires that more than one oil drilling district be developed from one controlled drilling site, the site may be increased, at the discretion of the Zoning Administrator when concurred in by the Board of Fire Commissioners, by not more than two acres for each 40 acres included in the district or districts.
 - (c) The number of oil wells Class <u>Lor</u> A which may be drilled and operated from any controlled drilling site may not exceed one well to each five acres in the district or districts to be explored from said site.

Notwithstanding the above, should the City Council determine that an urbanized oil drilling district contains more than one producing zone, the City Council may then authorize, by ordinance, the drilling of additional oil wells Class <u>I or</u> A, not to exceed one well per five acres for each identified producing zone, and specify the maximum number of wells to be drilled as the result of such authorization.

- (d) Each applicant, requesting a determination by the Zoning Administrator prescribing the conditions controlling drilling and production operations, as provided in <u>former</u> Subsection H of this section, must have proprietary or contractual authority to drill for oil under the surface of at least 75 percent of the property in the district to be explored.
- (e) Each applicant or his or her successor in interest shall, within one year from the date the written determination is made by a Zoning Administrator prescribing the conditions controlling drilling and production operations as provided in former Subsection H of this section, execute an offer in writing giving to each record owner of property located in the oil drilling district who has not joined in the lease or other authorization to drill the right to share in the proceeds of production from wells bottomed in the district, upon the same basis as those property owners who have, by lease or other legal consent, agreed to the drilling for and production of oil, gas or other hydrocarbon substances from the subsurface of the district. The offer hereby required must remain open for acceptance for a period of five years after the date the written determination is made by a Zoning Administrator. During the period the offer is in effect, the applicant, or his or her successor in interest, shall impound all royalties to which the owners or any of them may become entitled in a bank or trust company in the State of California, with proper provisions for payment to the record owners of property in the district who had not signed the lease at the time the written provisions were made by a Zoning Administrator, but who accepts the offer in writing within the five-year period. Any such royalties remaining in any bank or trust company at the time the offer expires which are not due or payable as provided above shall be paid pro-rata to those owners who, at the time of the expiration, are otherwise entitled to share in the proceeds of the production.
- (f) The entire controlled drilling site shall be adequately landscaped, except for those portions occupied by any required structure, appurtenance or driveway, and all landscaping shall be maintained in good condition at all times. Plans showing the type and extent of the landscaping shall be first submitted to and approved by the Zoning Administrator.
- (g) Each applicant, requesting a determination by a Zoning Administrator prescribing the conditions controlling drilling and production operations, as provided in <u>former</u> Subsection H of this section, shall post in the Office of Zoning Administration a satisfactory corporate surety bond (to be approved by the City Attorney and duplicates to be furnished to him or her) in the sum of \$5,000 in favor of the City of Los Angeles, conditioned upon the performance by the applicant of all of the conditions, provisions, restrictions and requirements of this section, and all additional conditions, restrictions or requirements determined and prescribed by a Zoning Administrator. No extension of time that may be granted by a Zoning Administrator or any change or specifications or requirements that may be approved or required by him or her or by any other officer or department of the City or any other alteration, modification of waiver affecting any of the obligations of the grantee made by any City authority or by any other

power or authority whatsoever shall be deemed to exonerate either the grantee or the surety on any bond posted pursuant to this section.

- (h) If a Zoning Administrator determines, after first receiving a report and recommendation from the Board of Public Works or its designee, that oil drilling and production activities within the district have caused or may cause subsidence in the elevation of the ground within the district or in the immediate vicinity, then after consulting with recognized experts in connection with that problem and with those producing hydrocarbons from the affected area, he or she shall have the authority to require the involved oil producer or producers to take corrective action, including re-pressurizing the oil producing structure or cessation of oil drilling and production.
- (i) A Zoning Administrator may impose additional conditions or require corrective measures to be taken if he or she finds, after actual observation or experience with drilling one or more of the wells in the district, that additional conditions are necessary to afford greater protection to surrounding property.
- 3. (None) Offshore Areas. Each oil drilling district established in an offshore area shall be subject to the following conditions:
 - (a) All activities conducted within each such district shall conform to the spirit and intent of the provisions of Subsection A of Section 12.20.1 of this Code:
 - (b) No surface or submarine drilling or producing operations shall be permitted between the mean high tide line and the outermost seaward City boundary. Surface drilling or producing operations may be conducted only from permitted or approved onshore drillsites. Oil and gas accumulations may be developed by directional or slant drilling beneath any portion of the submerged land within the district.
 - (c) Onshore drilling and producing operations utilizing directional or slant drilling may be approved by a Zoning Administrator only when a showing is made that production of oil and gas cannot be accomplished from already approved or permissible sites.
 - (d) The number of oil wells Class A which may be drilled into any offshore drilling district from a single installation or facility onshore shall not exceed one well to each five acres of district and the installation and operation of all wells shall meet the requirements of Section 12.20.1.
 - (e) Each applicant requesting a determination by a Zoning Administrator prescribing the conditions controlling drilling and production operations, as provided in Subsection H, shall post in the Office of Zoning Administration a satisfactory corporate surety bond (to be approved by the City Attorney and duplicates to be furnished to him or her) in the sum of \$50,000 in favor of the City of Los Angeles, conditioned upon the

performance by the applicant of all of the conditions, provisions, restrictions and requirements of this section, and all additional conditions, restrictions, or requirements determined and prescribed by a Zoning Administrator. No extension of time that may be granted by a Zoning Administrator on any change of specifications on requirements that may be approved or required by him or her or by any other officer or department of the City or any other alteration, modification or waiver affecting any of the obligations of the applicant made by any City authority or by any other power or authority whatsoever shall be deemed to exonerate either the applicant or the surety on any bond posted pursuant to this section.

- (f) All derricks and other drilling facilities shall be removed within 30 days after completion or abandonment of the well; and thereafter any work done on any existing well which requires redrilling or reconditioning shall be done by temporary or portable equipment which shall be removed within 30 days after completion of such work.
- (g) Pollution of water and contamination or soiling of the urban coastline or beaches are prohibited.
- 4. Los Angeles City Oil Field Area. Each oil drilling district established in the Los Angeles City Oil Field Area shall be subject to the following conditions:
 - (a) The boundary of each district shall follow the center line of city streets as far as practicable;
 - (b) Each district shall include the streets, ways, and alleys within the boundaries thereof and shall be substantially compact in area;
 - (c) The drilling, pumping, redrilling, repairing, maintenance or other servicing of any new oil well Class <u>I or</u> A in said district shall be conducted only on a Drilling and Production Site in the Los Angeles City Oil Field Area upon which site at least one Class <u>I or</u> A oil well was (i) in existence on January 24,1982; and (ii) had not been abandoned in accordance with State Division of Oil and Gas regulations prior to January 24,1982; and (iii) has a Los Angeles Fire Department Serial Number, which number was in existence on January 24, 1982.
 - (d) The number of new oil wells Class <u>I or</u> A permitted on such a Drilling and Production Site in the Los Angeles City Oil Field Area shall not exceed one well to each acre in the District:
 - (e) Each applicant, requesting a determination by the Zoning Administrator prescribing the conditions controlling new drilling and production operations as provided in <u>former</u> Subsection H, must have proprietary or contractual authority to drill for oil under the surface of at least 75% of the total land area of the property in the district to be explored.

- (f) Within one year from the date the written determination is made by a Zoning Administrator prescribing the conditions controlling drilling and production operations, as provided in former Subsection H, each applicant or his or her successor in interest shall offer in writing to each record owner of property located in the oil drilling district who has not joined in the lease or other authorization to drill, the right to share in proceeds of production from new wells bottomed in the district upon the same basis as those property owners who have, by lease or other legal consent, agreed to the drilling for and production of oil, gas or other hydrocarbon substances from the sub-surface of the district. The offer hereby required must remain open for acceptance for a period of five years after the date the written determination is made by a Zoning Administrator. During the period the offer is in effect, the applicant, or his or her successor in interest, shall impound all royalties to which the owners or any of them may become entitled in a bank or trust company in the State of California, with proper provisions for payment to the record owners of property in the district who had not signed the lease at the time the written determination was made by a Zoning Administrator, but who accepts the offer in writing within the five-year period. Any royalties remaining in any bank or trust company at the time the offer expires which are not due or payable as provided above shall be paid pro-rata to those owners who, at the time of the expiration, are otherwise entitled to share in the proceeds of the production.
- (g) the entire site upon which new oil wells are to be drilled shall be adequately fenced and landscaped; plans showing the type and extent of the landscaping shall be first submitted to and approved by the Zoning Administrator.
- (h) Each applicant requesting a determination by a Zoning Administrator prescribing the conditions controlling drilling and production operations, as provided in former Subsection H, shall post in the Office of Zoning Administration a satisfactory corporate surety bond (to be approved by the City Attorney and duplicates to be furnished by him or her) in the sum of \$5,000 in favor of the City of Los Angeles, conditioned upon the performance by the applicant of all of the conditions, provisions, restrictions, and requirements of this section, and all additional conditions, restrictions, or requirements determined and prescribed by a Zoning Administrator. No extension of time that may be granted by a Zoning Administrator or any change of specifications or requirements that may be approved or required by him or her or by any other officer or department of the City or any other alteration, modification or waiver affecting any of the obligations of the grantee made by any city authority or by any other power or authority whatsoever shall be deemed to exonerate either the grantee or the surety of any bond posted pursuant to this section.
- (i) If a Zoning Administrator determined after first receiving a report and recommendation from the Board of Public Works or its designee that oil drilling and production activities within the district have caused or may cause subsidence in the elevation of the ground within the district or in the

immediate vicinity, he or she shall have the authority, after consulting with recognized experts in connection with the problem and with those persons producing hydrocarbons from the affected area, to require the involved oil producer or producers to take corrective action, including re-pressurizing the oil producing structure or cessation of oil drilling and production.

- (j) A Zoning Administrator may impose additional conditions or require corrective measures to be taken if he or she finds, after actual observation or experience with drilling one or more of the wells in the district, that additional conditions are necessary to afford greater protection to surrounding property.
- (k) Any operator of any site within an oil drilling district, approved by the Zoning Administrator pursuant to Section 12.23C4(c), may apply to the Department of City Planning for the establishment of fencing and landscaping requirements. Once the requirements have been satisfied, the operator shall be relieved of the restrictions specified in Section 12.23C4(b) and (c). Should an operator of such a site in a district desire to redrill or deepen a Class I or A oil well, if the oil well was
 - (i) in existence on January 24, 1982; and
 - (ii) had not been officially abandoned in accordance with State Division of Oil and Gas Regulations prior to January 24, 1982; and
 - (iii) has a Los Angeles Fire Department Serial Number and the number was in existence on January 24, 1982, that operator shall comply with the provisions of <u>former</u> Subsection H of Section 13.01. Compliance with the Determination of Conditions issued shall relieve the operator of the restrictions specified in Section 12.23C4(b) and (c) of this Code.

Section 11. Subsection F of Section 13.01 of the LAMC is amended as follows:

- **F.** Additional Conditions. In addition to the standard conditions applying to oil drilling districts, the Council, by ordinance, or the Zoning Administrator may have imposed other conditions in each district as deemed necessary and proper. <a href="https://necessary.com/These Additional Conditions remain only to the extent that they were incorporated by reference in an ordinance or into approvals issued by the Zoning Administrator under former Subsection H and I of Section 13.01 prior to. https://www.where.com/
 - (a) where the condition relates to the location of a drill site within a district, by amending the ordinance, only after the submission of an application, the payment of fees, notice, hearing and procedure identical to that required by this article for the establishment of an oil drilling district; and

(b) where the condition does not relate to the location of a drill site, by amending the ordinance, without the necessity of fees, notice or hearing.

In its report to the Council relative to the establishment of a district, the City Planning Commission may recommend conditions for consideration. Some of these additional conditions, which may <u>have</u> be<u>en</u> imposed in the ordinance establishing the districts or by the Zoning Administrator in determining the drilling site requirements, and which may <u>have</u> be<u>en</u> applied by reference, are as follows:

- 1. That all pumping units established in said district shall be installed in pits so that no parts thereof will be above the surface of the ground.
- 2. That all oil produced in said district shall be carried away by pipe lines or, if stored in said district, shall be stored in underground tanks so constructed that no portion thereof will be above the surface of the ground.
- 3. That the operator of any well or wells in the district shall post in the Office of Zoning Administration a \$5,000 corporate surety bond conditioned upon the faithful performance of all provisions of this article and any conditions prescribed by a Zoning Administrator. No extension of time that may be granted by a Zoning Administrator, or change of specifications or requirements that may be approved or required by him or her or by any other officer or department of the City, or other alteration, modification or waiver affecting any of the obligations of the grantee made by any City authority shall be deemed to exonerate either the grantee or the surety on any bond posted as required in this article.
- 4. That the operators shall remove the <u>drilling rig derrick</u> from each well within thirty (30) days after the drilling of said well has been completed, and thereafter, when necessary, such completed wells shall be serviced by portable <u>drilling rigs derricks</u>.
- 5. That the drilling site shall be fenced or landscaped as prescribed by the Zoning Administrator.
- 6. (None)
- 7. That, except in case of emergency, no materials, equipment, tools or pipe used for either drilling or production operations shall be delivered to or removed from the drilling site, except between the hours of 8:00 A.M. and 8:00 P.M. of any day.
- 8. That adequate fire fighting apparatus and supplies, approved by the Fire Department, shall be maintained on the drilling site at all times during drilling and production operations.
- 9. That no refining process or any process for the extraction of products from natural gas shall be carried on at a drilling site.
- 10. **(None)**
- 11. (None)

12. (None)

- 13. **(None)** That no more than one well shall be bottomed in each five (5) acres of the drilling district.
- 14. That no new oil wells shall be spudded in after the President of the United States, or other proper authority, has declared that a state of war no longer exists.

15. (None)

16. (None)

- 17. That any person requesting a determination by the Zoning Administrator prescribing the conditions under which oil drilling and production operations shall be conducted as provided in <u>former</u> Subsection H, shall agree in writing on behalf of him or herself and his or her successors or assigns, to be bound by all of the terms and conditions of this article and any conditions prescribed by written determination by the Zoning Administrator; provided, however, that the agreement in writing shall not be construed to prevent the applicant or his or her successors or assigns from applying at any time for amendments pursuant to this Article or to the conditions prescribed by the Zoning Administrator, or from applying for the creation of a new district or an extension of time for drilling or production operations.
- 18. That all production equipment used shall be so constructed and operated that no noise, vibration, dust, odor or other harmful or annoying substances or effect which can be eliminated or diminished by the use of greater care shall ever be permitted to result from production operations carried on at any drilling site or from anything incident thereto to the injury or annoyance of persons living in the vicinity; nor shall the site or structures thereon be permitted to become dilapidated, unsightly or unsafe. Proven technological improvements in methods of production shall be adopted as they, from time to time, become available if capable of reducing factors of nuisance or annoyance.
- 19. Wells which are placed upon the pump shall be pumped by electricity with the most modern and latest type of pumping units of a height of not more than sixteen (16) feet. All permanent equipment shall be painted and kept in neat condition. All production operations shall be as free from noise as possible with modern oil operations.
- 20. All drilling equipment shall be removed from the premises immediately after drilling is completed, sump holes filled, and <u>drilling or service rigs</u> derricks removed within sixty (60) days after the completion of the well.
- 21. That, subject to the approval of the Board of Fire Commissioners, the operators shall properly screen from view all equipment used in connection with the flowing or pumping of wells.

- 22. Upon the completion of the drilling of a well the premises shall be placed in a clean condition and shall be landscaped with planting of shrubbery so as to screen from public view as far as possible, the tanks and other permanent equipment, such landscaping and shrubbery to be kept in good condition.
- 23. That not more than two wells may be drilled in each city block of the drilling district and bottomed under that block. However, at the discretion of the Zoning Administrator, surface operations for additional wells may be permitted in each of the blocks where each additional well is to be directionally drilled and bottomed under an adjacent block now or hereafter established in an oil drilling district in lieu of a well drilled on the adjacent block and under a spacing program which will result in not exceeding two wells bottomed under each block.
- 24. That not more than one (1) well shall be drilled in each city block of the drilling district; provided, however, that a second well may be drilled in that block bounded by "L", Gulf Avenue, Denni Street and Wilmington Boulevard, only in the event said second well be directionally drilled or whipstocked so that the bottom of the hole will be bottomed under the (Gulf Avenue School property located in the block bounded by "L" Street, Roman Avenue, Denni Street and Gulf Avenue, and in lieu of a well which might otherwise be permitted to be drilled in said last mentioned block.
- 25. That not more than one (1) well may be drilled in each city block of the drilling district.
- 26. That all power operations other than drilling in said district shall at all times <u>be</u> he carried on only by means of electrical power, which power shall not be generated on the drilling site.
- 27. (None)
- 28. (None)
- 29. That not more than two (2) wells may be drilled in each city block of the drilling district; provided, however, that two (2) additional wells may be drilled in each of the following described blocks, (a) the block bounded by Q Street, Lakme Avenue, Sandison Street and Broad Avenue and (b) the block bounded by Sandison Street, Lakme Avenue, Broad Avenue and the southerly boundary of Tract No. 1934, but only if such additional wells are directionally drilled or whipstocked so that they will be bottomed under the Hancock–Banning High school property, located in the block bounded by Delores Street, Broad Avenue, Pacific Coast Highway and Avalon Boulevard, in lieu of the four (4) wells which might otherwise be permitted to be drilled in the last mentioned block.
- 30. (None)
- 31. Not more than four (4) controlled drilling sites shall be permitted in this district, and such sites shall not be larger than two (2) acres.

- 32. The number of wells which may be drilled to any oil sand from the controlled drilling site shall not exceed one (1) well to each five (5) acres in the district, but in no event shall there he more than one (1) well to each two and one-half (2 l/2) acres.
- 33. That drilling operations shall be commenced within 90 days from the effective date the written determination is made by the Zoning Administrator or Area Planning Commission, or within any additional period as the Zoning Administrator may, for good cause, allow and thereafter shall be prosecuted diligently to completion or else abandoned strictly as required by law and the premises restored to their original condition as nearly as practicable as can be done. If a producing well is not secured within eight months, the well shall be abandoned and the premises restored to its original condition, as nearly as practicable as can be done. The Zoning Administrator, for good cause, shall allow additional time for the completion of the well.
- 34. That an internal combustion engine or electrical equipment may be used in the drilling or pumping operations of the well, and if an internal combustion engine is used, that mufflers be installed on the mud pumps and engine so as to reduce noise to a minimum, all of said installations to be done in a manner satisfactory to the Fire Department and to the Zoning Administrator.

35. (None)

- 36. That not more than two (2) production tanks shall be installed for each producing well, neither one of which shall have a rated capacity in excess of one thousand (1,000) barrels; provided, however, that if in the opinion of the Zoning Administrator it is necessary in order to provide for the maximum safety of operations or to decrease the number of individual production tank settings on any property, the Zoning Administrator may increase the number of such production tanks to not more than three (3), having a greater capacity not to exceed two thousand (2,000) barrels each. The Zoning Administrator shall permit such wash tanks or heating facilities as may appear necessary to ship or remove production from the premises. The plans for said tank or tanks, including the plot plan showing the location thereof on the property, shall be submitted to and approved in writing by the Zoning Administrator before said tank or tanks and appurtenances are located on the premises; and that said tank or tanks and appurtenances shall be kept painted and maintained in good condition.
- 37. All waste substances such as drilling muds, oil, brine or acids produced or used in connection with oil drilling operations or oil production shall be retained in water–tight receptors from which they may he piped or hauled for terminal disposal in a dumping area specifically approved for such disposal by the Los Angeles Regional Water Pollution Control Board No. 4.
- 38. Any wells drilled shall be cased tight to bedrock or effective means satisfactory to the <u>State Oil and Gas Supervisor</u> Department of Water and Power used to prevent vertical movement of ground water.

- 39. The applicant shall provide the Department of Water and Power <u>and the State Oil</u> <u>and Gas Supervisor</u> with a precise plot plan of the drilling plant and roads leading thereto, and to make such safeguards as the Department deems necessary to assure the safety of the existing 50" water main which crosses the district involved.
- 40. The Department of Water and Power of the City of Los Angeles shall be permitted to review and inspect methods used in the drilling and producing operations and in the disposal of waste, and shall have the right to require changes necessary for the full protection of the public water supply.

41. (None)

- 42. That the number of wells which may be drilled to any oil sand shall not exceed one (1) well to each five (5) acres in the district, but in no event shall there be more than one (1) well to each two and one—half acres.
- 43. That drilling, pumping and other power operations shall at all times be carried on only by electrical power and that such power shall not be generated on the controlled drilling site or in the district.
- 44. That an internal combustion engine or steam-driven equipment may be used in the drilling or pumping operations of the well, and, if an internal combustion engine or steam-driven equipment is used, that mufflers be installed on the mudpumps and engine; and that the exhaust from the steam-driven machinery be expelled into one of the production tanks, if such tanks are permitted, so as to reduce noise to a minimum, all of said installations to be found in a manner satisfactory to the Fire Department and Zoning Administrator.
- 45. That drilling operations shall be carried on or conducted in connection with only one well at a time in any one such district, and such well shall be brought in or abandoned before operations for the drilling of another well are commenced; provided, however, that the <u>Zoning</u> Administrator may permit the drilling of more than one well at a time after the discovery well has been brought in.
- 46. That all oil drilling and production operations shall be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration or noxious odors, and shall be in accordance with the best accepted practices incident to drilling for and production of oil, gas and other hydrocarbon substances. Proven technological improvements in drilling and production methods shall be adopted as approved by the Zoning Administrator, as they may become, from time to time, available, if capable of reducing factors of nuisance and annoyance.
- 47. That all parts of the <u>drilling or service rig</u> derrick described above the <u>drilling or service rig</u> derrick derrick floor not reasonably necessary for ingress and egress including the elevated portion thereof used as a hoist, shall be enclosed with fire—resistive soundproofing material approved by the Fire Department <u>and the Zoning Administrator</u>, and the same shall be painted or stained so as to render the appearance of said <u>drilling or service rig</u> derrick as unobtrusive as practicable.

- 48. That all tools, pipe and other equipment used in connection with any drilling or production operations shall be screened from view, and all drilling operations shall be conducted or carried on behind a solid fence, which shall be maintained in good condition at all times and be painted or stained so as to render such fence as unobtrusive as practicable.
- 49. That no materials, equipment, tools or pipe used for either drilling or production operations shall be delivered to or removed from the controlled drilling site except between the hours of 8:00 o'clock a.m. and 6:00 o'clock p.m., on any day, except in case of emergency incident to unforeseen drilling or production operations, and then only when permission in writing has been previously obtained from the Zoning Administrator.
- 50. That no earthen sumps shall be used.
- 51. That within sixty (60) days after the drilling of each well has been completed, and said well placed on production, or abandoned, the <u>drilling or service rig derrick</u>, all boilers and all other drilling equipment shall be entirely removed from the premises unless such <u>drilling or service rig derrick</u> and appurtenant equipment is to be used within a reasonable time limit determined by the Administrator for the drilling of another well on the same controlled drilling site.
- 52. That no oil, gas or other hydrocarbon substances may be produced from any well hereby permitted unless all equipment necessarily incident to such production is completely enclosed within a building, the plans for said building to be approved by the Department of Building and Safety and the Fire Department. This building shall be of a permanent type, of attractive design and constructed in a manner that will eliminate as far as practicable, dust, noise, noxious odors and vibrations or other conditions which are offensive to the senses, and shall be equipped with such devices as are necessary to eliminate the objectionable features mentioned above. The architectural treatment of the exterior of such building shall also be subject to the approval of the Administrator.
- 53. That no oil, gas or other hydrocarbon substances may be produced from any well hereby permitted where same is located within or immediately adjoining subdivided areas where ten (10) percent of the lots or subdivided parcels of ground, within one-half (1/2) mile radius thereof, are improved with residential structures, unless all equipment necessarily incidental to such production is countersunk below the natural surface of the ground and such installation and equipment shall be made in accordance with Fire Department requirements.
- 54. That there shall be no tanks or other facilities for the storage of oil erected or maintained on the premises and that all oil products shall be transported from the drilling site by means of an underground pipe line connected directly with the production pump without venting products to the atmospheric pressure at the production site.
- 55. That not more than two production tanks shall be installed on said drilling site, neither one of which shall have a rated capacity in excess of one thousand (1000) barrels; that the plans for said tank or tanks, including the plot plans

showing the location thereof on the property, shall be submitted to and approved in writing by the Administrator before said tank or tanks and appurtenances are located on the premises, and that said tank or tanks and appurtenances shall be kept painted and maintained in good condition at all times.

- 56. That any production tanks shall be countersunk below the natural surface of the ground and the installation thereof shall be made in accordance with safety requirements of the Fire Department.
- 57. That no refinery, dehydrating or absorption plant of any kind shall be constructed, established or maintained on the premises at any time.
- 58. That no sign shall be constructed, erected, maintained or placed on the premises or any part thereof, except those required by law or ordinance to be displayed in connection with the drilling or maintenance of the well.
- 59. That suitable and adequate sanitary toilet and washing facilities shall be installed and maintained in a clean and sanitary condition at all times.
- 60. That any owner, lessee or permittee and their successors and assigns, must at all times be insured to the extent of one hundred thousand dollars (\$100,000) against liability in tort arising from drilling or production, or activities or operations incident thereto, conducted or carried on under or by virtue of the conditions prescribed by written determination by the Zoning Administrator as provided in former Subsection H of this section. The policy of insurance issued pursuant hereto shall be subject to the approval of the City Attorney, and duplicates shall be furnished to him. Each such policy shall be conditioned or endorsed to cover such agents, lessees or representatives of the owner, lessee or permittee as may actually conduct drilling, production or incidental operations permitted by such written determination by the Administrator.
- 61. (None)
- 62. All onshore drilling and production installations or facilities shall be removed and the premises restored to their original conditions after all oil and gas wells have been abandoned, unless the City Planning Commission determines otherwise.
- 63. (None)
- 64. (None)

Section 12. Subsection G of Section 13.01 of the LAMC is deleted in its entirety.

G. (None) Description of Districts — The districts within which the drilling for and production of oil, gas or other hydrocarbon substances is permitted, and the conditions applying thereto (subject to further conditions imposed by the Administrator in the drilling site requirements), are described as follows:

- 1. **Districts in Non-urbanized Areas.** (For boundaries of districts and special conditions applicable thereto, refer to maps and records in City Planning Office).
- 2. **Districts in Urbanized Areas.** (For boundaries of districts and special conditions applicable thereto, refer to maps and records in City Planning Office).
- 3. Districts in Offshore Areas. (For boundaries of districts and special conditions applicable thereto, refer to maps and records in City Planning Office.)
- 4. Districts in the Los Angeles City Oil Field Area. (For boundaries of such districts and any conditions applicable thereto, refer to maps and records in the City Planning Office.)

Section 13. Subsection H of Section 13.01 of the LAMC is deleted in its entirety.

H. (None) Drilling Site Requirements. Any person desiring to drill, deepen or maintain an oil well in an oil drilling district that has been established by ordinance, or to drill or deepen and subsequently maintain an oil well in the M3 Zone within 500 feet of a more restrictive zone shall file an application in the Department of City Planning on a form provided by the Department, requesting a determination of the conditions under which the operations may be conducted.

The Zoning Administrator, after investigation, may deny the application if they he finds that there is available and reasonably obtainable in the same district or in an adjacent or nearby district within a reasonable distance one or more locations where drilling could be done with greater safety and security with appreciably less harm to other property, or with greater conformity to the comprehensive zoning map. A Zoning Administrator shall deny an application for a drill site in an urbanized or off-shore area unless the applicant first files with the Zoning Administrator in a form and executed in a manner approved by a Zoning Administrator.

- 1. either of the following continuing written offers
 - (a) to make the drill site available to competing operators upon reasonable terms, or
 - (b) to enter into or conduct joint operations for a unit or cooperative plan of development of hydrocarbon reserves upon reasonable terms, if whichever course offered is determined to be feasible by a Zoning Administrator, and is subsequently required by him or her in order to effectuate the above set forth purposes, and
- 2. an agreement to abide by the determination of the Board of Public Works or its designee if any dispute arises as to the reasonableness of those terms after first having an opportunity to be heard. Where the district is in a nonurbanized area, in the Los Angeles City Oil Field Area, or in those cases where a Zoning Administrator approves an application in an urbanized or off-shore area, a Zoning Administrator shall determine and prescribe additional conditions or limitations, not in conflict with those specified in the ordinance establishing the district, which

he or she deems appropriate in order to give effect to the provisions of this section and to other provisions of this chapter relating to zoning. Where the proposed operation is in the M3 Zone and is within 500 feet of a more restrictive zone, a Zoning Administrator shall prescribe conditions and limitations, if any, as he or she deems appropriate to regulate activity which may be materially detrimental to property in the more restrictive zone. All conditions previously imposed by a Zoning Administrator in accordance with the provisions of this chapter are continued in full force and effect.

A Zoning Administrator shall make his or her written determination within 60 days from the date of the filing of an application and shall forthwith transmit a copy to the applicant.

The determination shall become final after an elapsed period of 15 days from the mailing of the notification to the applicant, unless an appeal is filed within that period, in which case the provisions of Section 12.24B through I concerning the filing and consideration of appeals shall apply.

Section 14. Subsection I of Section 13.01 of the LAMC is deleted in its entirety.

I. (None) Permits. No person shall drill, deepen or maintain an oil well or convert an oil well from one class to the other and no permits shall be issued for that use, until a determination has been made by the Zoning Administrator or Area Planning Commission pursuant to the procedure prescribed in Subsection H of this section.

Section 15. Subsection J of Section 13.01 of the LAMC is deleted in its entirety.

J. (None) Termination of District. Any ordinance establishing the districts described in this section shall become null and void one year after the effective date thereof unless oil drilling operations are commenced and diligently prosecuted within such one year period; provided, however, a Zoning Administrator, upon recommendation of the Board of Public Works or its designee, may extend the termination date for four consecutive additional periods not to exceed one year each, prior to the termination date of each period, if written request is filed therefor with the office of the Zoning Administration setting forth the reasons for said request and a Zoning Administrator determines that good and reasonable cause exists therefor.

Similarly, a Zoning Administrator, upon recommendation of the Board of Public Works or its designee, may extend the termination date for three consecutive additional periods not to exceed one year each, prior to the termination date of each period, for those districts which are part of a group undergoing development from one or more common controlled drilling sites, provided that written request is filed, which sets forth the reasons for the request therefor and the Zoning Administrator determines that good and reasonable cause exists therefor, and providing further that drilling operations have been diligently prosecuted from the common controlled drilling site during the previous extension period. Additional one-year extensions may be made by a Zoning Administrator subject to the approval of the City Planning Commission.

Any ordinance establishing an urbanized oil district shall become null and void one year after all wells drilled in the district after the effective date of said ordinance have been abandoned in accordance with legal requirements, unless a Zoning Administrator determines that the district is part of a group undergoing development from one or more common, controlled drilling sites, or on the basis of sufficient proof determines that production is allocated thereto from an adjacent, adjoining or near by drilling district or districts under a unit or pooling agreement. In such cases a Zoning Administrator may if he finds that good and reasonable cause exists therefor, extend the termination date of the expiring district to coincide with the termination date of the other district or districts in which the one or more common controlled drilling sites are located or from which production is allocated under a unit or pooling agreement. A Zoning Administrator may terminate any such district when the reasons for such extension no longer apply.

Any ordinance establishing a non-urbanized district or district in the Los Angeles City Oil Field Area shall become null and void one year after all wells in the district have been abandoned in accordance with legal requirements, unless the Zoning Administrator, on the basis of sufficient proof, determines that the district is part of a group in which secondary hydrocarbon recovery operations are taking place, and that production from an adjoining or adjacent district is allocated thereto under a unit or pooling agreement. In such cases, a Zoning Administrator may, if he finds that good and reasonable cause exists therefor, extend the termination date to coincide with the termination date of the adjoining or adjacent district in which secondary recovery operations are being conducted. A Zoning Administrator may terminate any such district when the reasons for said extension no longer apply:

Zoning ordinance, prohibiting drilling of wells on tracts recently included in residential zone not an unreasonable exercise of police power and does not deprive lessee which acquired lease prior to zoning of property without due process.

Marblehead Land Co. v. City of Los Angeles, 47 Fed. 2d 528.

Cromwell-Franklin Oil Co. v. Oklahoma City, 14 F.S. 370.

Beverly Oil Co. v. City of Los Angeles, 40 Cal. 2d 552.

Pacific Palisades Assn. v. City of Huntington Beach, 196 Cal. 211.

Section 16. Subsection K of Section 13.01 of the LAMC is amended as follows.

- K. Maintenance of Drilling and Production Sites. Effective August 1,1962, tThe following regulations shall apply to existing nonconforming and future oil wells within the City of Los Angeles, including oil wells operating pursuant to any zone variance, whether by ordinance or approval of a Zoning Administrator, and all oil wells in an M3 Zone which are within 500 feet of a more restrictive zone, until such uses are required to cease operations pursuant to LAMC Section 12.23 C.4:
 - 1. All stationary <u>drilling and service rigs derricks</u>, including their floors and foundations, shall be removed within 30 days after completion or abandonment of the well (notwithstanding any other provisions of this Code to the contrary)-or by September 1, 1962, whichever occurs later; and thereafter any work done on any existing well which requires the use of a derrick shall be done by a temporary or portable derrick. Such temporary or portable derricks shall be removed within 30 days after the completion of such work.

- 2. The motors, engines, pumps and tanks of all such oil wells shall be sealed so that no offensive or obnoxious odor or fumes can be readily detected from any point on adjacent property.
- 3. The well pumping equipment for such wells shall be muffled or soundproofed so that the noise emanating therefrom, measured from any point on adjacent property, is no more audible than surrounding street traffic, commercial or industrial noises measured at the same point.
- 4. The maximum height of the pumping units for such wells shall not exceed 15 feet above existing grade level.
- The site of such wells shall be so landscaped, fenced or concealed that the well and all of its appurtenant apparatus is reasonably protected against public entry, observation or attraction.

In addition to any other authority vested in the Zoning Administrator by Charter and the Los Angeles Municipal Code, a Zoning Administrator may waive or modify these regulations if the drilling site is physically inaccessible to a portable derrick, or is located in a mountainous and substantially uninhabited place, or is located in an M Zone and is surrounded by vacant land or is adjacent to land used as permitted in the M Zones and if the enforcement of such regulations would be discriminatory, unreasonable or would impose a undue hardship upon oil drilling in such locations. A Zoning Administrator may also waive or modify the 16-foot height limitation where, because of the amount of liquid to be raised or the depths at which such fluids are encountered, pumping unit in excess of 16 feet in height is shown by conclusive engineering evidence to be required.

All ordinances and parts of ordinances of the City of Los Angeles in conflict herewith are hereby repealed to the extent of such conflict.

FINDINGS

(As Amended by the City Planning Commission at its meeting on September 22, 2022)

Land Use Findings

1. Charter Finding 556 (General Plan). In accordance with City Charter Section 556, the proposed Oil and Gas Drilling Ordinance (Ordinance) is in substantial conformance with the purposes, intent, and provisions of the General Plan.

This Ordinance is part of a larger effort to address environmental justice and climate change, in tandem with policies found in the City's Health, Wellness and Equity Element of the General Plan (Plan for a Healthy Los Angeles, or Health Element). Many of these plans and policies encourage reduction in oil usage, generation of green energy, expansion of electrical infrastructure and include acknowledgement of environmental justice issues. The Ordinance seeks to minimize the cumulative health impacts from incompatible land uses associated with oil drilling. By introducing regulations that would phase out oil activities altogether, the proposed Ordinance is meant to improve the City's overall livability while addressing long-standing injustices to frontline communities and communities of color disproportionately affected by the health impacts of oil drilling in Los Angeles, as prioritized in various elements of the General Plan.

The proposed Ordinance furthers the following objectives and policies of the General Plan:

Air Quality Element

- 4.1.1 Coordinate with all appropriate regional agencies the implementation of strategies for the integration of land use, transportation, and air quality policies.
- 5.1.2 Effect a reduction in energy consumption and shift to non-polluting sources of energy in its buildings and operations.
- 5.3.1 Support the development and use of equipment powered by electric or low-emitting fuels.

Safety Element

- 1.1.4 Health/Environmental Protection. Protect the public and workers from the release of hazardous materials and protect City water supplies and resources from contamination resulting from release or intrusion resulting from a disaster event, including protection of the environment and public from potential health and safety hazards associated with program implementation.
- 1.2.1 Environmental Justice. In keeping with the Plan for a Healthy LA, build a fair, just and prosperous city where everyone experiences the benefits of a sustainable future by correcting the long running disproportionate impact of environmental burdens faced by low income families and communities of color.

- 1.2.12 Prosperity and Green Jobs. Leverage investments in green infrastructure and systems to create inclusive economic opportunities for the city's workforce.
- 1.2.2 Renewable Energy. Aggressively pursue renewable energy sources, transitioning away from fossil-based sources of energy and toward 100% renewable energy sources.
- 1.2.7 Zero Emissions Vehicles. In keeping with the Mobility Plan, work toward zero emissions transportation and goods movement and increase zero emissions infrastructure including charging.
- 1.2.8 Industrial Emissions and Air Quality Monitoring. In keeping with the Air Quality Element, ensure that every Angeleno can breathe clean, healthy air by addressing air pollution from all sources, with a particular emphasis on prioritizing the health and wellbeing of overburdened families and delivering environmental justice.

Program # 6 Identify, Analyze, and Mitigate Local Oil and Gas Risks.

Conservation Element

Policy 1: continue to encourage energy conservation and petroleum product reuse.

Policy 2: continue to support state and federal bans on drilling in the Santa Monica Bay and on new drilling along the California coast in order to protect the San Pedro and Santa Monica bays from potential spills associated with drilling, extraction and transport operations.

Policy 3: continue to protect neighborhoods from potential accidents and subsidence associated with drilling, extraction and transport operations, consistent with California Department of Conservation, Division of Oil and Gas requirements.

Health, Wellness and Equity Element (Plan for a Healthy Los Angeles)

- 5.1 Reduce air pollution from stationary and mobile sources; protect human health and welfare and promote improved respiratory health.
- 5.2 Reduce negative health impacts for people who live and work in close proximity to industrial uses and freeways through health promoting land uses and design solutions.
- 5.4 Protect communities' health and well-being from exposure to noxious activities (for example, oil and gas extraction) that emit odors, noise, toxic, hazardous, or contaminant substances, materials, vapors, and others.
- 5.7 Promote land use policies that reduce per capita greenhouse gas emissions, result in improved air quality and decreased air pollution, especially for children, seniors and others susceptible to respiratory diseases.

Land Use Element - West Adams-Baldwin Hills-Leimert Community Plan

CF20-5 Reduce Greenhouse Gas Emissions. Support efforts to promote the use of clean, renewable energy that is diverse in technology and location to decrease dependence on fossil fuels, reduce emissions of greenhouse gases, and increase the reliability of the power supply. (P143)

LU65-2 Capitalize on Emerging Industrial Sectors Capitalize on rehabilitation and adaptive reuse of existing structures, as well as the introduction of contextual new infill construction in areas such as the Hyde Park Industrial Corridor. Provide land use incentives and standards that facilitate the generation of high wage jobs and training for the community especially within the growing "clean- tech" and "greentech" sectors. (P13, P33, P286)

LU75-1 Discretionary Review. Seek a high level of discretionary review for any changes to, or expansion of, existing oil extraction sites and activities so that the public may remain informed and involved, and so that appropriate environmental review may take place pursuant to the California Environmental Quality Act.

LU75-2 Periodic Review. Encourage regular and periodic discretionary review of any extraction activities involving hazardous materials.

LU75-3 Community Health. Recommend that any extraction technology, including fracking, acidizing, or other technologies that involve potentially hazardous materials, has no negative impacts on public or environmental health. Support comprehensive plans, which strive to stop the release of chemicals from extraction sites into the groundwater or the surrounding environment.

LU75-5 Hazardous Materials. Recommend that any decisions to approve the transportation or use of hazardous materials are based on sound understanding of potential public health impacts, and that adequate study and analysis has been conducted and demonstrated as part of the decision-making record.

LU75-6 Mitigation of Impacts. Encourage adequate mitigation of noise, odor, glare, vibration, and aesthetic impacts. Support efforts to discourage continuous around-the-clock drilling.

M12-3 Priority Parking for Alternative Fuel Vehicles. Encourage new commercial and retail developments to provide prioritized parking for shared vehicles, electric vehicles and vehicles using alternative fuels. (P209)

M12-4 Connections for Electric Vehicles. Encourage new construction to include vehicle access to properly wired outdoor receptacles to accommodate zero emission vehicles and plug-in electric hybrids. (P109)

Land Use Element - Harbor Gateway Community Plan

Oil wells should be landscaped and maintained in an attractive condition,

especially where adjacent to residential uses.

Improved bus service should be provided to more directly connect the various commercial, residential and industrial areas of this and adjacent communities.

Land Use Element - Wilmington Harbor City Community Plan

- 1-2.1 Locate higher residential densities near commercial centers and major transit routes, where public service facilities, utilities, and topography will accommodate this development.
- 1-6.1 The enlargement of nonconforming, incompatible commercial and industrial uses within areas designated on the Plan map for residential land use shall be prohibited, and action shall be taken toward their removal on a scheduled basis in conformance with Section 12.23 of the Municipal Code.
- 3-5.1 Regulate oil extraction activities and facilities in such a manner to enhance their compatibility with the surrounding community.
- 3-5.3 Require, after January 1, 2000, that all drilling sites and oil production activities comply with the rules and regulations pertaining to urbanized areas. Alternatively, in the case of drilling sites and other oil production activities within a previously established drilling district, such sites and activities shall comply by January 1, 2000 with an Ordinance to be initiated which will (a) govern the maintenance and landscaping of drilling sites and other oil production activities; and (b) provide a program for the abandonment of drilling sites that no longer serve a useful function.
- 3-5.4 Seek the consolidation of surface oil extraction operations to free land for other uses, where feasible, to increase compatibility between oil operations and other land uses.

Objective 10-1 To encourage improved local and express bus service through the Wilmington Harbor City community, and encourage park-and- ride facilities to interface with freeways, high occupancy vehicle (HOV) facilities, and transit routes.

Objective 11-1 To pursue transportation management strategies that can maximize vehicle occupancy, minimize average trip length, and reduce the number of vehicle trips.

The General Plan establishes growth and development policies by providing a comprehensive long-range view of the City as a whole. Although the Conservation Element provides a map of the various oil fields in the City and discusses petroleum as a resource, the City does not consider petroleum to be a mineral resource of local importance and considers activities activities associated with its extraction to be detrimental to public health and safety and the environment. This is reflected in recent City policies such as the Green New Deal, Clean Up Green Up (Los Angeles Municipal Code Section 13.18; effective June 2016), and in policies included in the updates to the Health and Safety elements of the City's General Plan adopted on November 24, 2021, including

Health Element policy 5.4 and Safety Element policies 1.2.2 and 1.2.7. Furthermore, this Ordinance is consistent with Conservation Element, Section 19 policies 1 and 3 to "encourage conservation of petroleum," and to "protect neighborhoods from potential accidents and subsidence associated with [petroleum] drilling, extraction and transport operations…"

In addition, as shown above, the Ordinance is consistent with the City's goals and policies that call for a transition away from oil and gas uses. The City has adopted numerous policies over the last 20 years that encourage either increased management of or termination of oil drilling, including West Adams-Baldwin Hills-Leimert Community Plan Policy LU 75-1, Conservation Element Policy 2, and Safety Element 1.2.1. The Ordinance is consistent with these policies as it would require the termination of oil and gas extraction in the City. Each of these policies signal a long-term shift away from petroleum and natural gas resources to renewables and electricity.

As shown in the table above, the vast number of these policies recognize the negative health and safety implications of locating oil wells in proximity to residential uses. The Ordinance will help further the goals of the Health Element, as it seeks to protect community health and wellbeing from exposure to noxious activities that emit odors, noise, toxic, hazardous, or contaminant substances, materials, vapor and others.

For the reasons stated above, the proposed Ordinance is in substantial conformance with the purposes, intent, and provisions of the General Plan.

2. City Charter Finding 558 and LAMC Section 12.32 (Public Necessity, Convenience, General Welfare, Good Zoning Practice). In accordance with City Charter Section 558 (b)(2) and LAMC Section 12.32 C.7, the proposed Ordinance will be in conformance with public necessity, convenience, general welfare, and good zoning practice by advancing the basic core principle of zoning to protect citizens' health, safety, and welfare.

Oil drilling started locally in the late 19th century and escalated in the early 1900s. By the 1930s, California was producing nearly one-quarter of the world's oil output, and played a key part in Los Angeles' industrialization and growth over the ensuing decades. Today, Los Angeles is one of the largest urban oil fields in the country, with drill sites and oil wells found in nearly all parts of the City, including, but not limited to, the communities of Wilmington, Harbor Gateway, Downtown, West Los Angeles, South Los Angeles, and the Northeast San Fernando Valley.

While some wells are situated in heavy industrial areas, many are located within residential neighborhoods and amongst community parks and schools. Studies have shown that activities related to oil and gas operations have been associated with many potential negative health and safety impacts, especially when they occur in close proximity

to sensitive uses, such as residences, schools, or parks.¹ Oil and gas extraction operations also have negative land use effects that can disrupt a community's livability. These impacts can include, but are not limited to: elevated noise levels, frequent odor events, increased emissions exposure, spill incidents affecting the public right-of-way, truck traffic congestion on local streets, removal of on-street parking, and lack of effective screening for drill site equipment.

The need to prioritize Angelenos' health and safety, and keep up with national and statewide efforts to become energy efficient and independent have been adopted in recent City policies and ordinances. The Ordinance is part of a larger effort to address environmental justice and climate change, in tandem with policies found in L.A.'s Green New Deal, Sustainable City pLAn, and the City's Health Element. Many of these plans and policies encourage reduction in oil usage, generation of green energy, expansion of electrical infrastructure and acknowledgement of environmental justice issues. In addition, building on past efforts, such as Clean Up Green Up (CUGU), which set out to address the overconcentration of pollution in economically underserved communities, such as Boyle Heights, Pacoima, and Wilmington, the Ordinance is aimed at minimizing the cumulative health impacts from the incompatible land uses associated with oil drilling.

By introducing regulations that would phase out oil activities altogether, the proposed Ordinance is meant to improve the City's overall livability while addressing long-standing injustices to frontline communities and communities of color disproportionately affected by the health impacts of oil drilling in Los Angeles. For these reasons, the Ordinance will be in conformance with public necessity, convenience, general welfare, and good zoning practice.

3. Environmental Finding. The City of Los Angeles, as the Lead Agency, prepared a Mitigated Negative Declaration (MND), Case No. ENV-2022-4865-MND, for the proposed Ordinance. The proposed Ordinance would prohibit the redrilling of existing oil wells and the drilling of new oil wells throughout the City. It would also declare all existing oil wells a nonconforming use that would be amortized within a 20-year timeframe. In consideration of the whole administrative record to date, including the Mitigated Negative Declaration, No. ENV-2022-4865-MND ("Mitigated Negative Declaration"), and all comments received, with the imposition of mitigation measures, the City Planning Commission shall recommend the City Council adopt the MND pursuant to CEQA Guidelines Section 15074(b). Additionally, with the imposition of mitigation measures, the City Planning Commission shall recommend the City Council find that there is no substantial evidence that the project will have a significant effect on the environment; find that the MND reflects the independent judgment and analysis of the City; find the mitigation measures have been made enforceable conditions on the project; and adopt the MND and the Mitigation Monitoring Program prepared for the MND.

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¹ See Council File No 17-0447 – Feasibility of Amending Current City Land Use Codes in Connection with Health Impacts at Oil and Gas Wells and Drill Sites, July 29, 2019. Report from the Petroleum Administrator to the City Council (summary of health studies).