



Comparison of Baldwin Hills Oil Field Restrictions

<u>Issue</u>	<u>Pre-CSD</u>	<u>1st Proposal</u> (PXP draft CSD)	<u>EIR</u>	<u>CSD</u>	<u>Additional Protections Afforded By Settlement</u>
Number of new/re drilled wells allowed (over 20 years)	Unlimited	Unlimited	Assumed up to 965 new wells over next 20 years	Limit of 600 wells by abbreviated "Director's Review"	Reduced to 500 wells by abbreviated "Director's Review"
Number of drill rigs	No limits	No limits	Concluded up to 3 drill rigs could operate on field at any one time	Limit to maximum of 3 drilling or re drilling rigs on the oil field at any one time	Reduced to 2 drilling or re drilling rigs on the oil field at any one time
Number of new/re drilled wells allowed (annually)	Unlimited	Unlimited	Concluded up to 85 max	Limit of 53 wells (45 new) per year	Reduced to initial limit of 30 wells per year, followed by up to 35 wells per year
Number of new/re drilled wells allowed (initial years)	No limits	No limits	N/A	Limit of 24 wells in first year	Limit of 30 wells annually until (1) PXP drills 50 wells or 24 months after settlement, and (2) County determines CSD's provisions are effective
Perimeter drilling	No obligation to avoid	No obligation to avoid	No unmitigable impact identified	No obligation to avoid	Require PXP to conduct annual study to determine feasibility of locating deep wells further away from Developed Areas



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Well closures (i.e., abandonment)	No County obligations	Closure of all prior wells to be upgraded to current DOGGR standards, but no schedule for closing any existing wells.	Assumed 512 existing wells would be closed over 20 years	No minimum schedule for closing existing wells. Annual plan must show any proposed closures; annual hydrocarbon vapor testing of areas in vicinity of closed wells; require amortization schedule for wells within setback areas	Incentives to close wells near perimeter: For each existing well within 800 feet of homes, businesses or parks that PXP closes, it can drill two (2) replacement wells closer to the center of the oil field (up to 15 "bonus" wells until PXP drills 50 wells or 24 months after settlement, and County determines CSD's provisions are effective; up to 18 "bonus" wells thereafter)
Fracking	N/A	N/A	N/A	Injection pressures for secondary recovery operations or disposal of produced fluids shall not exceed regulatory limits	PXP will conduct a peer-reviewed study of the feasibility and potential impacts (including impacts to groundwater and subsidence) of the types of fracturing operations PXP may conduct in the Oil Field; study will be submitted to public agencies and made available for public review.



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Clean technology	No County requirement	Not addressed	Discussed potential GHG reduction measures	Proven technological advances that reduce environmental impacts of drilling will be considered from time to time; annual drilling plan must discuss latest equipment and techniques	Every 5 years, County will evaluate latest clean technology advances that would reduce environmental impacts, and will require PXP to use it for brand new equipment to the extent it is feasible and available on a commercially reasonable basis
Well plugs	DOGGR requires 25' deep cement well plug when abandon well	Not addressed	Not discussed	No requirements	Going forward, PXP must install a 150' deep cement surface plug for all wells when they are closed at the Oil Field.



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Air quality	Applicable AQMD rules and provisions	PXP will use portable flare during drilling; install tank vapor detection system	Recommended drill site air sampling; air monitoring, odor minimization and fugitive dust control plans; "closed systems" for produced water and oil; tank pressure monitoring	PXP must use portable flares to burn fugitive emissions during drilling; PXP will monitor for H2S and TPH during drilling per approved air monitoring plan; develop and implement odor minimization and fugitive dust control plans; monitor tank pressures; use "closed systems" for produced water and oil	Additionally, within the next 12 months, County will spend up to \$250,000 (or more if additional funding can be found) to conduct air quality monitoring designed to assess the risk of both acute and chronic exposure to air contaminants from Oil Field.
Noise	Oil drilling is exempt from County's standard noise limits. Oil and gas operations exempt from noise limits between 7AM to 10PM.	Noise levels at property line shall not elevate existing noise baseline levels by more than 5 dBA	Concluded that noise levels at property line should not be allowed to elevate existing noise baseline levels by more than 5 dBA	No noise above baseline by more than 5 dBA; drilling between 6 pm and 8 am must be conducted pursuant to a Quiet Mode Drilling Plan	In addition to CSD, from 10 pm to 7 am, noise levels in Developed Areas must be no more than 3 dBA above nighttime baseline.



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Noise spikes	Exempt	Not addressed	No mitigation recommended	No restriction	PXP must consult with County if nighttime operations exceed baseline by 10 dBA for more than 15 minutes in any one hour
Gas plant flare	Allowed continued use of antiquated flare to continue	Not addressed	Recommended replacement of old flare and elimination of old flare	Allows both new and old flare. Requires new flare to be installed within 180 days after AQMD issues permit for new flare.	Prohibits use of old flare after installation of new flare except in emergencies. Gives Petitioners right to enforce the 180 day deadline.
Health/EJ study	None	None	Conducted health risk assessment; found increased cancer and acute non-cancer risks; recommended mitigation measures	Every 5 years, County may update EIR's health risk assessment if data from meteorological station warrants	County will perform Community Health Assessment with Environmental Justice component by June 2012, with additional assessments every 5-7 years throughout life of CSD. In addition, the settlement provides additional protections for all.
Consolidation of electrical lines	No requirement	Not addressed	Not discussed	No requirements	County will propose a joint study with Edison and LADWP to streamline and consolidate electrical lines throughout oil field. PXP to help pay for this study.



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Landscaping	No requirements. Minimal landscaping provided.	PXP proposed to landscape oil field periphery; develop revegetation/screening plan for new and deepened wells	Recommended landscaping oil field periphery and along public roadways; visibility analysis for new wells	PXP will comply with Mia Lehrer conceptual plan (2008) and complete in phases over 2-5 year period	PXP will prepare revised Landscaping Plan and use best efforts to install first two phases (La Brea between Stocker and Slauson, and Ladera Crest) within 9 months of County's approval of revised plan
Oil field clean up	Nuisance law	Prepare schedule for removal of unused equipment	Remove dilapidated and unused equipment	Remove facilities when they reach the end of their useful life. Maintain equipment in good appearance. Remove unused equipment.	Requires PXP to remove unnecessary equipment from view of Sensitive Areas. Gives Petitioners right of enforcement.
Public notice of settlement agreement	N/A	N/A	N/A	N/A	County will post this Agreement on CSD website and schedule an annual public discussion on the Agreement and the status of compliance with its terms