



Vintage Production California LLC
A subsidiary of Occidental Petroleum Corporation

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FRESNO CALIF

November 20, 2006

Ms. Pamela Creedon
Executive Office
California Regional Water Quality Control Board
11020 Sun Center Drive, Suite 200
Rancho Cordova, CA 95670-6114

RE: Tentative Water Discharge Requirements for Valley Waste Disposal Company
and Cawelo Water District, Kern Front No. 2 Treatment Plant – Cawelo Reservoir
B, Kern County

Dear Ms. Creedon:

Vintage Production California LLC (“Vintage”), a wholly-owned subsidiary of Occidental Petroleum Corporation, discharges oil production wastewater to the Kern Front No. 2 treatment plant operated by the Valley Waste Disposal Company (“Valley Waste”). Vintage would like to submit the following comments on the Tentative Water Discharge Requirements (“TWDRs”) proposed for consideration at the upcoming December 7/8 meeting of the Central Valley Regional Water Quality Control Board (“Water Board”). Vintage also concurs with the comments on the TWDRs submitted by Valley Waste and the Cawelo Water District, which are incorporated herein by reference.

In 2000, Valley Waste requested an increase in maximum daily flow from 4.3 mgd to 7.4 mgd to accommodate Vintage’s use of more steam to enhance oil extraction in the Kern Front Oil Field. The Water Board administratively extended Valley Waste’s then-existing permit (WDR Order No. 96-009; NPDES No. CA0081311) to consider this request but failed to act until this summer, when the Water Board proposed to issue a WDR order on August 2 to increase the maximum flow as requested. However, without further notice to Valley Waste and other interested parties, the Water Board opted to propose the TWDRs issued on October 20, which provide for the existing maximum daily flow of 4.3 mgd and require the permittees to conduct a salt loading study as well as a review of the environmental impacts of the discharge pursuant to the California Environmental Quality Act (“CEQA”).

In the Information Sheet circulated for comment on August 2, the Water Board determined that “[t]he action to adopt an NPDES permit is exempt from the provisions of Chapter 3 of the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) in accordance with CWC Section 13389.” Section 13389 of the California Water Code states:

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“Neither the state board nor the regional boards shall be required to comply with the provisions of Chapter 3 (commencing with Section 21100) of Division 13 of the Public Resources Code [CEQA] prior to the adoption of any waste discharge requirement, except requirements for new sources as defined in the Federal Water Pollution Control Act” (emphasis added).

Section 502(14) of the Federal Water Pollution Control Act defines “point source” as “any discernible, confined and discrete conveyance, including but not limited to any pipe, ditch, channel, tunnel, conduit, well, discrete fissure, container, rolling stock, concentrated animal feeding operation, or vessel or other floating craft, from which pollutants are or may be discharged.” The Water Board correctly determined that the maximum daily flow rate increase requested did not constitute a new source and, therefore, the August 2 TWDR was exempt from CEQA.

Nonetheless, in response to comments received, the Water Board amended that TWDR to remove the proposed flow increase and to repropose the existing permit with the additional requirements for a salt loading study and CEQA review. The proposed TWDR is not responsive to the request made by Valley Waste and would potentially postpone consideration of the maximum daily flow rate increase for an additional five years. Existing studies submitted to the Water Board by the Cawelo Water District already demonstrate that these discharges have not degraded water quality, and we fail to understand why further study is warranted, particularly in light of the six-year delay in issuing the new WDR.

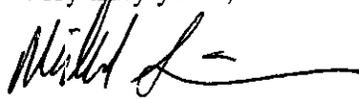
For these reasons, we ask the Water Board to remove the TWDR from the December 7/8 hearing calendar and to further consider the requested increase in maximum daily flow. We understand that the Water Board has proposed this course of action in response to comments recently received from the federal Environmental Protection Agency about the significant backlog in pending NPDES permits. Vintage would be happy to work with Valley Waste and the Cawelo Water District to expedite any additional studies necessary to adequately assess the proposed increase in maximum daily flow, but we do not believe that reissuing the existing permit, potentially delaying this analysis for another five years, is appropriate.

Vintage appreciates the opportunity to submit these comments. We reserve the right to submit additional comments at or before the December 7/8 hearing if the Water Board proceeds with consideration of the TWDR at that time. In light of Vintage’s reliance on Valley Waste’s existing permit and the TWDR, we request status as a “designated party” for purposes of the hearing.

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Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read "Mike Glavin", with a long horizontal flourish extending to the right.

Mike Glavin
HES Leader

cc: Valley Waste Disposal Company
Cawelo Water District
Regional Water Quality Control Board, Central Valley Region