

STAFF REPORT

**CEASE AND DESIST ORDER
FOR
EXXONMOBIL PRODUCTION COMPANY
HILL LEASE, SOUTH BELRIDGE OIL FIELD
KERN COUNTY**

ExxonMobil Production Company, a subsidiary of Exxon Mobil Corporation, which is a corporation organized and existing under the laws of the State of New Jersey (hereafter Discharger), owns and operates four unlined surface impoundments at the Hill Lease in the South Belridge Oil Field, Kern County. The impoundments have been used since the 1950's for the disposal, by percolation and solar evaporation, of non-hazardous produced water and water treatment plant filter backwash water resulting from the Dischargers' oil field production.

The impoundments are regulated by Waste Discharge Requirements Order No. R5-2004-0080. The Order includes a time schedule, which requires the Discharger to submit a Final Report describing a hydrogeologic investigation and long-term wastewater disposal plan by 30 September 2005. It also requires implementation of a long-term disposal plan consistent with state regulations and policy by 30 June 2006. The Discharger failed to submit a final hydrogeologic investigation report and a Notice of Violation was issued dated 12 October 2005. The Discharger is currently installing additional borings and groundwater monitoring wells to complete the assessment. The Dischargers' approved disposal plan consists of additional treatment of wastewater for recycling and increased subsurface injection in Class II disposal wells permitted by the California Division of Oil, Gas, and Geothermal Resources (CDOGGR).

The Discharger submitted detailed information to Regional Board staff describing how it will not be able to implement the disposal plan and cease the discharge of wastewater to the impoundments by the compliance date of 30 June 2006 as a result of changes to the engineering technology and, the 2005 Gulf Coast hurricane impacts on personnel resources and equipment manufacturing.

BACKGROUND

The South Belridge Oil Field is in western Kern County approximately 40 miles west of the City of Bakersfield, consisting of approximately 480 acres in the N½ and the SW¼ of Section 19, T28S, R21E, MDB&M.

Four unlined surface impoundments cover an area of approximately 17.5 acres, and do not meet the prescriptive construction criteria for Class II surface impoundments as specified in Title 27, CCR, Section 20005, et seq.

Approximately 4,300 barrels per day (180,000 gallons per day) of wastewater is discharged to the impoundments. Recent and historical analytical results indicate the wastewater has the following characteristics:

<u>Parameters (units)</u>	<u>Concentration</u>
Electrical Conductivity @ 25°C (µmhos/cm)	35,000
Total Dissolved Solids (mg/L)	19,000
Chloride (mg/L)	11,000
Boron (mg/L)	69

To protect the beneficial uses of groundwater and to prevent its degradation, the *Water Quality Control Plan for the Tulare Lake Basin, Second Edition, 1995* (Basin Plan) contains maximum salinity limits for the disposal of petroleum production wastewater in unlined impoundments overlying groundwater with existing and future probable beneficial uses. The maximum concentration limits are: electrical conductivity @ 25° C, 1,000 µmhos/cm; chloride, 200 mg/L; and, boron, 1 mg/L. The Discharger's wastewater has salinity concentrations that significantly exceed the numerical salinity limits in the Basin Plan.

Non-hazardous waste that contains pollutants that, under ambient environmental conditions at a waste management unit, could be released in concentrations exceeding applicable water quality objectives or that could reasonably be expected to affect beneficial uses of the waters of the state is defined in California Water Code, Section 13173 (b) as "Designated Waste." The wastewater exceeds applicable water quality objectives and has the potential to affect beneficial uses of waters of the state and, therefore, is classified as designated waste.

VIOLATION OF WDRs ORDER No. R5-2004-0080

Provision C.12 in WDRs Order No. R5-2004-0080 includes a time schedule which requires the Discharger to submit a Final Report with a long-term wastewater disposal plan and information describing a hydrogeologic investigation of the wastewater migration and groundwater impacts by 30 September 2005. It also requires implementation of a long-term disposal plan consistent with state regulations and policy by 30 June 2006.

The Discharger failed to submit the Final Report describing a hydrogeologic investigation by the required date and was issued a Notice of Violation dated 12 October 2005. The Discharger is currently installing additional soil borings and groundwater monitoring wells to complete the hydrogeologic investigation. The Dischargers' approved disposal plan consists of additional treatment of wastewater for recycling and increased subsurface injection in Class II disposal wells permitted by the CDOGGR.

On 27 February 2006, the Discharger notified Regional Board staff that it would not be able to implement the disposal plan and cease the discharge of wastewater to the impoundments by the compliance schedule date of 30 June 2006. The Discharger stated that additional time is needed to implement the plan because: (1) the initial engineering technology selected was later determined to be inadequate for treatment system requirements; and, (2) the impacts on engineering and personnel resources and equipment manufacturing firms caused by the Gulf Coast hurricanes during 2005 have increased the lead time needed to receive and install treatment system equipment.

The new time schedule in the Cease and Desist Order (CDO) supersedes the time schedule in Provision C.12 and requires the Discharger to comply with all other Provisions set forth in WDRs Order No. R5-2004-0080. The new time schedule requires the submittal of compliance progress reports by 30 June 2006 and 31 August 2006. By 31 December 2006, the Discharger is to have completed all facility improvements; the facilities shall be operating in accordance with the long-term wastewater disposal plan; and, the discharge of wastewater to the impoundments shall have ceased. Finally, by 28 February 2007, the Discharger must submit a Final Report describing the results and conclusions of the hydrogeologic investigation and to include a Corrective Action Plan that best addresses the results and conclusions of the Final Report.

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The action to adopt the proposed CDO is exempt from the provision of the California Environmental Quality Act (Public Resources Code Section 21000, et seq.) in accordance with Title 14, California Code of Regulations, Section 15301. Staff recommends that the Regional Board adopt the proposed CDO.

DLW/fmc: 5/30/06