



Enviro Group Challenges Calif. Oil Well Project

By Juan Carlos Rodriguez

Law360, New York (July 11, 2013, 1:54 PM ET) -- The Center for Biological Diversity on Wednesday sued to stop an oil drilling project in northern California, saying the county that approved the project failed to complete a required environmental impact statement.

According to the complaint, the Indian Wells oil development project will take place on a remote, little-developed 688-acre site in the Bitterwater area of southeastern San Benito County, about nine miles south of Pinnacles National Park. The site sits atop the Bitterwater groundwater basin and drains to the Salinas River, a source of drinking and irrigation water for farmland, the suit says.

The CBD alleges San Benito County violated the California Environmental Quality Act when it approved the project because it failed to prepare an environmental impact report analyzing the “reasonably foreseeable environmental impacts” of the project. The center says there is substantial evidence in the record supporting an argument that the project may have significant adverse effects on the environment.

“Instead, the county relied upon an initial study and negative declaration, an abbreviated and less thorough environmental review document that did not adequately evaluate, disclose and mitigate the project’s reasonably foreseeable direct, indirect and cumulative effects on air, water, wildlife and other environmental resources and on human health and safety,” the complaint said.

The suit says that by labeling proposed oil wells as test wells and the project as a pilot project, the county attempted to avoid a CEQA-mandated environmental review and analysis.

“First, even though the test wells will result in the production and sale of a substantial amount of oil, the negative declaration does not fully disclose and evaluate the environmental effects caused by the sale and combustion of this oil, including the higher than normal life cycle greenhouse gas emissions associated with cyclic steam injection production and the subsequent refining and combustion of that oil,” the complaint said.

Second, by segmenting the project into phases, the negative declaration does not assess the cumulative impacts from “reasonably foreseeable” probable future phases of the project, the CBD argues.

“Given the infrastructure investment necessary for the project and the explicit ‘testing’ purpose of the project, however, the county’s approval of the first phase conditional use permit will create irreversible momentum for expanded long-term production,” the complaint said.

According to the center, because future phases of the project are probable and reasonably foreseeable, CEQA requires that the county analyze the project’s potential cumulative environmental impacts from future development.

The center says long-term production would likely involve the drilling of numerous additional wells, the repeated use of cyclic steam injection and the production of a significant amount of oil.

Cyclic steam injection is an energy intensive, polluting and dangerous well stimulation technique that increases the viscosity of oil so that it can be more easily produced, according to the complaint.

“Cyclic steam injection poses both environmental and human health risks; it can cause well failure, shifting and buckling of the ground, and unexpected eruptions of fluid and steam to above the surface of the ground,” the complaint said. “In 2011, an oil worker was killed in Kern County in a cyclic steam injection related accident.”

The center says the project will use large quantities of water, generate substantial wastewater and air pollution, impact plants and wildlife, require extensive infrastructure development and generate considerable truck traffic in what is presently a rural landscape.

The project is being done by Citadel Exploration Inc. and Irani Engineering, which are named as real parties in interest in the suit.

Representatives for the county did not immediately respond to a request for comment Thursday.

The center is represented by Deborah A. Sivas of Stanford University and in-house counsel Kassia R. Siegel and David R. Hobstetter.

The case is Center for Biological Diversity v. San Benito County et al., case number M123956, in the Superior Court of the State of California, County of Monterey.

--Editing by Andrew Park.

