Livermore oil driller to be forced to shut down after county decision

LIVERMORE — One of Northern California's only oil fields will have to stop operating after nearly 50 years following a county decision that denied its use permits.

E&B Natural Resources, located at 8467 Patterson Pass Road in unincorporated Livermore, is one of only two oil fields in the Northern California area from San Joaquin River to the Oregon border, and the only oil field in Alameda County.

But last week, Alameda County supervisors approved the appeal of environmental groups in a 4-0-1, vote, with Supervisor Nate Miley abstaining, denying the conditional use permits the company needs to operate.

The oil field itself has been in operation since the 1960s, although it has changed ownership several times. E&B, which took over in 2007, applied for a conditional use permit for a 10 year-period after its permits expired in January. The drilling operation produces about 30 barrels of oil a day in the rural area east of Livermore.

Although the Alameda East County Board of Zoning Adjustments initially approved of the permits in May in a 2-0 vote, the Center for Biological Diversity and Livermore Eco Watchdogs filed an appeal against E&B in June. The appeal went before the full board of supervisors last week.

Residents and other environmentalists said they worried that the oil fields have posed a danger to the county and local residents, and puts groundwater at risk of contamination. Officials at agencies such as the California Division of Oil, Gas and Geothermal Resources, have stated that the groundwater underlying the Livermore oil field naturally has petroleum and such a high mineral and salt content that it is not suitable for drinking water.

Supervisor Scott Haggerty, whose district includes the oil field, said at the meeting there was a lot at stake and that he did not want to approve a 10-year permit for something that could affect the aquifer.

"One speaker said, 'Water is more valuable than oil.' That is extremely true. Water is becoming more necessary than oil, in my opinion. It gets you thinking," Haggerty said.

He also said he was compelled to vote against granting the permits after listening to his constituents. The hearing on the subject lasted more than three hours; speakers packed the meeting and spoke for more than two hours. Haggerty said at the meeting when one of the speakers asked if E&B could guarantee there wouldn't be a problem, no one said yes.

He and other supervisors also said that they believed this would end up in court.

E&B has a history of violations at its Livermore location, including a 2015 spill of toxic fluid, petroleum, which contaminated 12 feet of soil that had to be removed. E&B was fined for failing to report the spill immediately and disposing of the soil without testing for hazardous chemicals.

But E&B Vice President of Regulatory Affairs, Amy Roth, told the board that the tank had been moved, and below it there was a dry oil stain on the soil. E&B didn't know how long the spill had been there for, or if it had been left by the previous owner.

E&B also agreed to a settlement with the Alameda County and Kern County district attorney's offices in April 2015 for a different violation, mixing sludge with non-hazardous soils, said Supervisor Richard Valle during the meeting. An oil tank had been tested for too high a level of lead, but had been overlooked and still been sent to a reuse program in Kern County, Roth said. It was then used for a berm in an oil field, where it now remains safely, she said. E&B agreed to pay \$80,000 in civil penalties.

Last year, the company asked for federal permission to expand the aquifer exemption area where the driller is permitted to dispose of oily wastewater from oil extraction. Since its use permit was denied at the county level to operate, it will likely have to drop the application at the federal level.

Oil drillers such as E&B typically pull up a mix of oil and water from underground geological formations, and then extract the oil and put the water back underground. The process that E&B uses is called "water flooding," not fracking, which Alameda County has banned. The water flooding method means that waste water is pumped into an injection well, pushing oil out of a different well.

"The board of supervisors vote shows that Alameda County has widespread support for moving us toward a future away from fossil fuels," said Hollin Kretzmann, senior attorney for the Center for Biological Diversity, of Oakland.

He said residents should be proud of their county officials, taking a step closer to that future.