



REGION 9

SAN FRANCISCO, CA 94105

March 11, 2024

Sent via email only

William Chessum
California Resources Corporation (CRC)
27200 Tourney Road, Suite 200
Santa Clarita, CA 913558

Dear William Chessum:

The United States Environmental Protection Agency, Region 9 received your letter, dated January 25, 2024, regarding the withdrawal of select confidential business claims for the Carbon TerraVault V (CTV V) project. Since determining the CTV V application is administratively complete in December 2023, EPA has been proceeding with our technical review of the proposed project. However, during this time we have also determined that the AoR Delineation and Computation Modelling module will need to be updated due to potential project interference with the proposed CTV III and Pelican Renewables projects. The Enclosure to this letter provides further information on this issue and identifies information or clarification needed for continued evaluation of the CTV V project.

Please submit the information requested in the Enclosure by April 10, 2024. If you have any questions about this letter, please call me at (415) 972-3971 or contact Kaylee Glenney at (415) 972-3944.

Sincerely,

David Albright
Manager, Groundwater Protection Section

Enclosures: Potential Project Interference with the Pelican Renewables and CTV III Projects

cc (via email): Faisal Latif, Carbon Terra Vault Holdings LLC
Chris Jones, CalGEM Central District
Alex Olsen, Central Valley Regional Water Control Board
Janice Zinky, CA State Water Resources Control Board

ENCLOSURE
Request for Additional Information
Potential Project Interference with the Pelican Renewables and CTV III Projects

Carbon TerraVault Holdings LLC (CTV) V Project
Underground Injection Control (UIC) Permit Application
Class VI Pre-Construction Permit Application Nos. R9UIC-CA6-FY23-6.1 to 6.6

This Enclosure summarizes an issue that came to light during the technical review of other Class VI permit applications located near CTV V's Area of Review (AoR). The CTV III project is located around the Victoria Island tract approximately seven miles from the CTV V AoR, and the Pelican Renewables project located on Rindge Tract Island in San Joaquin County has an AoR that overlaps with the CTV V AoR. A preliminary review determined that the pressure changes from the three (3) projects are interfering.

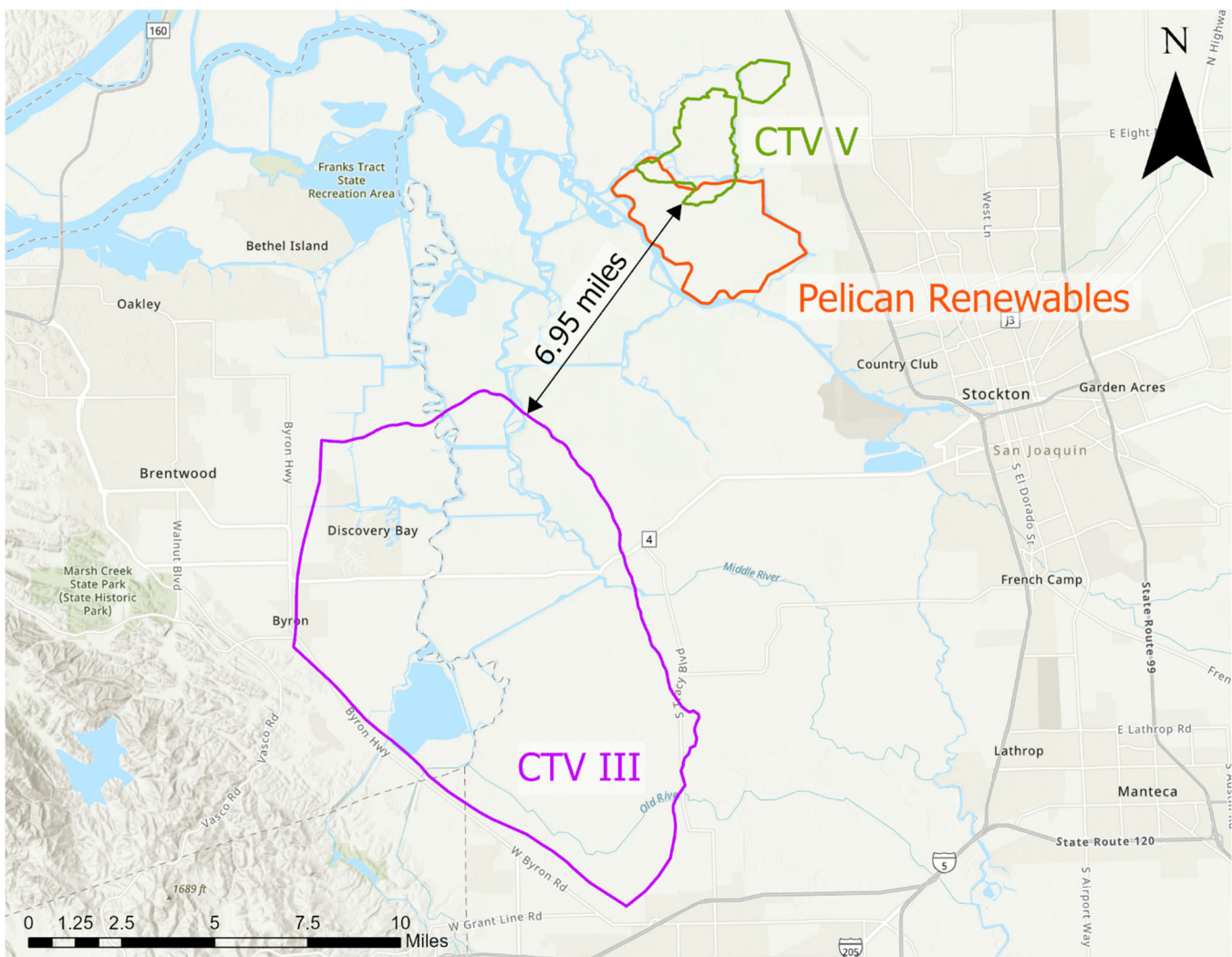


Figure 1: Proposed Area of Reviews of the CTV III, CTV V, and Pelican projects.

The three projects present similar geological models and subsurface stratigraphy that need to be investigated.

EPA guidance¹ states that “In all cases, EPA recommends that AoR delineation models account for all wells injecting into (including any injection wells associated with other UIC well classes or other Class VI operations) or pumping from the injection zone or any other zones that are hydraulically connected to the injection zone.” Pressure plumes follow the principle of superposition, where pressure is additive. Thus, to correctly calculate the AoR for these close sites, CTV V, CTV III and Pelican should include the pressure buildup of the other sites in their calculations; for example, add an extra injection well to reflect the total injection volume from other projects in the simulations.

Please propose how CTV would like to proceed. Pelican has been provided this information as well, and their application materials can be found on the EPA’s website². If it would be helpful, EPA can facilitate a meeting between CTV and Pelican to discuss this issue.

¹ <https://www.epa.gov/sites/default/files/2015-07/documents/epa816r13005.pdf>

² <https://www.epa.gov/uic/uic-permits-epas-pacific-southwest-region-9#class-vi>