

From: [patriciamcpherson](#) [REDACTED]
To: [CSLC Commission Meetings](#)
Cc: [REDACTED]
Subject: Feb. 25, 2022 Speaker Comment , Director's Report , Ballona Wetlands and ...
Date: Wednesday, February 23, 2022 5:47:58 PM
Attachments: [1_GC Requests CalGEM Investigate and Order Reabandonment of UCS.docx](#)

Attention: This email originated from outside of SLC and should be treated with extra caution.

To: Board Members/ Officers of State Lands Commission,

RE: Feb. 25 DIRECTOR'S REPORT portion: Ballona Wetlands and Surrounding Lands
& OIL WELL UNIVERSITY CITY SYNDICATE

This response to the Director's Report acknowledges State Lands Commission (SLC) as having public trust ownership interests in two parcels in Ballona Wetlands known as the Extended Wetland Parcel and the Freshwater Marsh (which is also intrinsic to the Freshwater Marsh System, inclusive of a freshwater conveyance- Main Drain to the Ballona Channel. The conveyance of clean freshwater away from Ballona Wetlands is wasting freshwater to the ocean that should be allowed to remain on Ballona Wetlands -- a Groundwater Dependent Ecosystem with both surface and groundwater interface. (Playa Vista EIR-groundwater is at or near the surface)

The Director's Report leaves out virtually all current information as well as past information regarding how, what and why agreements were reached.

The Freshwater Marsh and the Main Drain were conceived in 2005 by the California Fish & Game Commission as an integral and functional part of the Ballona Wetlands Ecological Reserve. However, per State Lands Commission agreements and Fish and Game Commission agreements in 2005, the oversight of this area as well as its 'defined' inclusion into the Ecological Reserve was set aside for further review for later determination as to whether the area was protected adequately as public trust property. (Title 14, Section 630 NonMarine Ecological Reserve specific purpose and goal for Ballona Wetlands Ecological Reserve, Office of Administrative Law 2005 Registry) (2005 Fish & Game Commission Meetings video archive-----)

At this time the public questioned the gifting of public funds to Playa Vista as the freshwater marsh, Playa Vista's flood control catch basin, was given to the state by Playa Vista with the stipulation to use the catch basin for flood control but, not to have ownership. At any time, the state may take away oversight/ management of the catch basin for whatever reasons it determines. In 2005, a "trial of management" was allowed since Playa Capital LLC already had to pay for the management of the catch basin in perpetuity and to adhere to all permits required by various agencies.

The 'Conservancy', to which the SLC speaks in today's Director's Report, is a wholly Playa Vista Conservancy that serves the interests of the Playa Vista development and not the public trust property. SLC appears to be confused in that there is no Conservancy that contains the entities to which SLC recites as board members- The Ballona Wetlands Conservancy today is NOT the Ballona Wetlands Foundation discussed in the 1990 California Coastal Commission v Friends of Ballona Settlement Agreement(SA) that was to provide for oversight of restoration of Ballona.

The Ballona Wetlands Conservancy does not have board members that include Playa Vista (Brookfield) and the City of Los Angeles, the California Natural Resources Agency(represented by CDFW) and the Friends of Ballona. The 2006 Stipulated Judgement (C525 826) provides the actual entities that are the Ballona Wetlands Conservancy and the entities cited by SLC are not included in this legal documentation of who the Ballona Wetlands Conservancy is. The entities cited include

The confusion by both CDFW and SLC as being 'board members' is not represented in any legal documentation provided by Public Record Act requests for such documentation. There is however, the 2006 updated Stipulation that spells out the membership as Playa Vista development sites (PVPAL, PVCS, CAMPUS) within the mega-development. (Stipulated Judgement C 525 826)

The 'management of the freshwater marsh' and its freshwater marsh system by Playa Vista HAS NOT BEEN IN THE PUBLIC TRUST'S best interests.

The FWM has numerous flaws that have been addressed by numerous agencies (including USFWS comments in the DEIR) for its poor design, poor water circulation, Main Drain unpermitted inflow from the Ballona Channel; Vector Control problems with mosquitos; and failure to adequately protect its freshwater resources. (CDFW Betty Courtney Letter 2017 citing harm to Ballona's hydrology and ecosystem due to Playa Vista not providing adequate water conveyance to the marsh)

<https://saveballona.org/2017-california-department-fish-wildlife-cdfw-betty-courtney-cites-harm-ballona-due-reduced-water-flow-playa-vista.html>

The LARWQCB recently denied Playa Vista its request for continued dewatering of clean groundwater that Playa Vista desired sent to the sanitary sewer system via an extended NPDES PERMIT, after Grassroots Coalition requested its denial in order to send the water to the Groundwater Dependent Ecosystem that is Ballona. The LARWQCB agreed and sent the water to the freshwater marsh system for conveyance to Ballona Wetlands.

Playa Vista and CDFW have both been found in violation of the Coastal Act by the California Coastal Commission for their harm to both the hydrology and ecology of Ballona Wetlands due to 20 years of unpermitted drainage of both surface and subsurface freshwater and its wasteful, harmful drainage to the ocean.

As cited in the [California Coastal Commission \(CCC\) Letter \(4/11/14\) to Playa Vista and CDFW ... draining Ballona is harmful to the ecosystem:](#)

REGARDING THE ABANDONED OILWELL UNIVERSITY CITY SYNDICATE.

The comment of SLC per-
*"prior claims that the University Syndicate well was/is
leaking have been investigated previously and the evidence did not support
that conclusion. Whatever the source of the bubbling, the Commission ..."*

is inaccurate.

<https://saveballona.org/oil-well-gas-leak-creates-new-dangers-local-residents-and-visitors-ballona-wetlands.html>

The State Lands Commission has great authority to request investigation and provide oversight to ensure protection occurs to the public trust property that is the freshwater marsh. In the past such investigation occurred, in part, as Cathleen Connel had garnered investigative studies in an attempt to protect the area from oilfield outgassing. During that timeframe, in studies performed by Exploration Technologies Inc. , who provided independent expertise and soil gas studies for the City of Los Angeles, University City Syndicate was determined to be leaking low levels of oilfield gas to the surface. The Los Angeles Building & Safety Department requested Playa Vista to reabandon the leaky well. Playa Vista complied and had the well reabandoned. The well unfortunately leaked directly afterwards and a few bags of cement were placed at the top and DOGGR approved the well abandonment. The seal of abandonment was apparently short lived as a few years later outgassing was discovered over the well head area as can be seen in the Division of Oil and Gas video wherein the location is GPS'd. Since, this timeframe meetings have occurred as can be noted in the documents that are part of this letter. It would appear that SLC has not kept abreast of harmful activities in the marsh area.

Natural gas has been held in a storage field 6,100 feet below the wetlands, covered by 1,500 feet of impermeable shale, since the 1940s, subject to entitlements for the field that all predate the Commission's ownership interests. The field's footprint includes the Expanded Wetlands and portions of the Freshwater Marsh. Southern California Gas Company (SoCalGas) monitors and operates the field, including a system of monitoring wells and pipelines within the Ecological Reserve.

SLC provides no foundation for statements of 'containment' of gas via 1500' of impermeable shale. To the contrary, SoCalGas documents provide for leakage to the surface information throughout the SOCALGAS operational area. SoCalGas' operations were shut down due to reservoir gas leakage to the surface for about a year in the 2011 timeframe. Outgassing via any well is illegal as SLC well knows and can act to forward protection to the public trust area that is the freshwater marsh. Agencies have the ability to perform in collaboration to alleviate threats to both the public and the environment and here, SLC appears to choose to act as an absentee landlord allowing harm to occur to both.

[Patricia McPherson regarding SOCALGAS PLAYA DEL REY Operations \(Slide Presentation\)](#)

The following documentation is provided to demonstrate some of the recent activity of Grassroots Coalition working with CAL GEM and LARWQCB regarding University City Syndicate. The dangers inherent in the oilfield gas leakage via University City Syndicate as discussed by the oil/gas experts of both Exploration Technologies Inc and

To: Uduak-Joe Nyuk, California State Oil and Gas Supervisor

From: Grassroots Coalition, Patricia McPherson

November 29, 2021

Re: Grassroots Coalition's Request to the Supervisor for Investigation & Reabandonment of University City Syndicate oilwell (API 04037 14087) due to apparent leakage and hazards associated with this compromised oilwell.

Oil & Gas Supervisor Nyuk,

Please review and consider the Grassroots Coalition request below.

Grassroots Coalition also thanks you for your attention to this troublesome well and area which gave rise to the Grassroots Coalition hosted ZOOM meeting in 2020, with CalGEM personnel and the oil/gas experts cited within the request, and LA Regional Water Quality Control Board personnel.

References:

1. University City Syndicate (API 04037 14087) well file is in the possession of Cal GEM,
2. <https://www.flickr.com/photos/stonebird/48173430892/> 2017 Video of outgassing over University City Syndicate by Jonathan Coffin.
3. <https://www.youtube.com/watch?v=QDXIPAYaCHA> FLIR Imaging for Grassroots Coalition by EarthWorks 2019 of University City Syndicate
4. <https://www.youtube.com/watch?v=LR1r9X2VGZo> DOGGR video of Magnetometer and GPS Identification of University City Syndicate 2010 -11, a Public Record Act request response to Grassroots Coalition.
5. 2009 June- SoCalGas/ URS gas study per Grassroots Coalition Settlement Agreement requirements; finds reservoir outgassing from multiple wells on Ballona flats & DR 10 north of Channel
6. 3/4/2011 DOGGR ORDER 1008 by State Oil & Gas Supervisor Elena Miller. Shut down occurs of SCG injection operations, but for testing purposes for approximately 1 year due to reservoir gas leakage. A DOGGR investigation ensues.
7. Exploration Technologies Inc. gas sample of University City Syndicate produces thermogenic isotopic fingerprint, as do all later gas analysis samples of the regional, Playa Vista site (2000-2001). ETI documentation becomes part of the City of LA's Chief Legislative Analyst's Report per the thermogenic gas issues of the Playa Vista site. New and experimental gas mitigation systems are attempted at the Playa Vista business and housing development site. The ETI gas studies, and data per the City of LA's attempted implementation and outcomes are also contained on a CD, in the possession of both the City of LA and the State Lands Commission. The CD is entitled, Still Workin On It. Grassroots Coalition retrieved the CD via a Public Record Act request to the Ca. State Lands Commission. A 2007 methane mitigation performance audit of the Playa Vista methane mitigation systems was performed via the City Controller, Laura Chick. The audit revealed serious flaws in the gas mitigation systems. Grassroots Coalition is aware of no subsequent corrective measures or accountability audits for the performance of the Playa Vista Methane Prevention Detection and Monitoring System and/or the Citywide Methane Code--two distinguishable Methane Codes of the City of Los Angeles. GC raises these issues in context with the rising levels of oilfield outgassing in the freshwater marsh area, (inclusive of apparent outgassing via University City Syndicate as a conduit) and the elementary school area.
8. [Oil well gas leak creates new dangers for local residents and visitors to Ballona Wetlands - University City Syndicate](#)
... abandonment of UCS performed by Playa Vista (contractors). New oil and gas regulations potentially address the current conditions of ... They have expressed concern regarding inherent and ongoing dangers to the immediate area as well as concerns regarding gas migration from ...

**Thank you for your attention to these matters of public safety and environmental concern,
Patricia McPherson, Grassroots Coalition**

Grassroots Coalition has just learned of this agenda item and has quickly provided response above. We reserves the right to provide further information for its response to the Director's Report and SLC,
The attachment also contains further information.

Thankyou,

Patricia McPherson, Grassroots Coalition

Uduak-Joe Nyuk, State of California Oil and Gas Supervisor,

Grassroots Coalition requests the Supervisor order inspection and reabandonment activities upon University City Syndicate (API 04 03714087) due to what numerous oil/gas experts have discussed with Cal Gem personnel, as ongoing leakage and outgassing. The operator currently under the title in Well Finder is—University City Syndicate, Incorporated, LTD. This well was previously abandoned by Playa Capital LLC (Playa Vista Land PartnershipLP), with surface plugging completed on 6-20-01. The well was determined by DOGGR to have fulfilled Division requirements relative to plugging and reabandonment on 1-10-02. The reabandonment had followed soil gas studies performed across the Playa Vista property by the City of Los Angeles’ oil/gas consultant, Victor Jones of Exploration Technologies Inc.. Soil gas sampling was isotopically analyzed and revealed low levels of thermogenic gas leakage occurring over University City Syndicate. The isotopic analysis was done as part of regional soil gas sampling performed by Exploration Technologies Inc. on behalf of the City of Los Angeles, of the Playa Vista properties. After Playa Vista had the reabandonment performed, the well on 6-26-01 was gas tested and 10-3/4” casing cement plug, completed and approved by DOGGR. “Weld on steel plate. Witnessed and approved by DOGGR and LAFD.” Division records show a leak detected at the surface on 6-26-2001. “Gas bubbles in 14” x 10-3/4” annulus”. Division records then record, “6-27-01 Cemented annulus with two (2) sacks Class G cement. Gas tested annulus. Witnessed and approved by DOGGR.” The well as noted in its well file had several bags of cement placed at the surface leakage area and no further testing and/or corrective actions were deemed necessary. In 2005, an Office of Emergency Services (OES) report was placed by Grassroots Coalition/ Bernard Endres Phd. due to concerns of a large outgassing area near University City Syndicate. DOGGR’s investigation of the freshwater marsh area found a roughly 2’ by 2’ area of thermogenic outgassing roughly 200’ west of University City Syndicate per Playa Vista survey data. The outgassing was not further addressed as the outgassing was determined to not be occurring directly over University City Syndicate.

In 2010, DOGGR personnel (see video- a Public Record Act response from DOGGR to GC) utilized a magnetometer to find the University City Syndicate well head as can be viewed on the video. GPS coordinates of the University City Syndicate site were also taken by the DOGGR personnel as can also be viewed on the DOGGR videotape. Continuous bubbling/outgassing is seen occurring over University City Syndicate.

Since this timeframe, the University City Syndicate location has had continuous outgassing that has been increasing in apparent magnitude. Video taken of the University City Syndicate location in 2017, is also attached to this request (the video location is approximately 200 feet east of the outgassing location noted by DOGGR in the UCS file per 2005). FLIR imaging of the University City Syndicate location in 2019, was taken by EarthWorks in conjunction with Grassroots Coalition, which also reveals the continuous outgassing.

Most recently,

Cal Gem representatives, Bill Bartling, Scott McGurk, and Chris McCullough engaged in a Grassroots Coalition hosted zoom meeting on June 18, 2020, specifically pertaining to the ongoing leakage hazards of University City Syndicate. This zoom meeting was with Grassroots

Coalition, Los Angeles Regional Water Quality Control Board's Adam Taing, and former City of Los Angeles oilfield gas consultant--Exploration Technologies Inc., Victor Jones. ETI provided extensive investigation and soil gas sampling of the Ballona Wetlands/ Playa Vista area on behalf of the City of Los Angeles during the 1999-2001 timeframe. The meeting also included oil/gas engineer David Becker of Global Integrated Development Group (GIDG LLC), Richard Sharpe GIDG LLC, and Dr. Tom Williams, who has professional expertise in the oil/gas industry, working with numerous companies and the City of Los Angeles. He also has familiarity with the Playa Vista/ Ballona Wetlands region as a California Public Utilities independent consultant hired during the investigation/ litigation of Grassroots Coalition v SoCalGas, Playa del Rey. Grassroots Coalition prevailed in this litigation (2007) with a Settlement Agreement providing precedent setting oil/gas monitoring for SoCalGas's, Playa del Rey underground gas storage operations.

Comments and diagrams regarding University City Syndicate from Exploration Technologies, Victor Jones; and David Becker, Richard Sharpe of GIDG LLC; and Tom Williams Phd are included, in pertinent part, on the link within the cover letter. They have also expressed their willingness to provide further comment and/or dialogue with Cal Gem personnel pertaining to University City Syndicate and the region.

Grassroots Coalition has reason to believe, as provided herein, that similar conditions exist for University City Syndicate (API 0403714087) as existed at API abandoned well, 037-01168, in the Canoga Oil Field, which gave rise to the Supervisor's Order to Reabandon well 037-01168. The similarities give rise to Grassroots Coalition's belief that the Canoga Oil Field well serves as a model of the similar authority and requirements of the Supervisor for ordering the reabandonment of University City Syndicate, located adjacent to the highly populated development known as Playa Vista and located within the public trust lands and water used by Playa Vista as a flood control area in the Ballona Wetlands known as the Freshwater Marsh System (a current environmental, wetland park, public use area). The Freshwater Marsh System is directly adjacent to the Ballona Wetlands Ecological Reserve, and directly and indirectly affects the safety, health and well-being of the ecological habitat, and surface and groundwater aquifers (classified as potential drinking water by the Los Angeles Regional Water Quality Control Board) throughout the Ballona Wetlands and the Ballona Wetlands Ecological Reserve. University City Syndicate is located within the marsh itself, the nearest intersection is Lincoln Blvd. and Jefferson Blvd. The freshwater marsh system is controlled by Playa Vista's Ballona Wetlands Conservancy in a lease agreement with the California State Lands Commission.

Ballona Wetlands Ecological Reserve (BWER) is acknowledged as a Groundwater Dependent Ecosystem under the Sustainable Groundwater Management Act. As such, BWER is dependent upon clean freshwater for its ecological health and well-being.

Grassroots Coalition believes that investigation and reabandonment of University City Syndicate is necessary to prevent as far as possible, damage to life, health, property, and natural resources including damage to underground oil and gas deposits from infiltrating water and other causes for loss of oil, gas that may damage underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances as pursuant to Chapter 5.5 of Part 1 of Division 1 of Title 5 of the Government Code that are within an oil & gas field. Public Resource Codes under Division 3 are also believed to be applicable.

Reason to Question the Integrity of the Previous Abandonment

References: See exhibit links in cover e-mail and references.

According to Division of Oil & Gas & Geothermal Resources (DOGGR), (now known as CalGEM) well file records of University City Syndicate (API 04037 14087), Playa Capital LLC provided for the reabandonment of University City Syndicate in 2001, the original abandonment occurred in 1934. The Division of Oil & Gas and Geothermal Resources (DOGGR) approved the Operator's abandonment of University City Syndicate as compliant with then-applicable requirements, as documented in a Report of Well Abandonment dated 2001. However, since this timeframe, UCS, according to oil/gas experts is undoubtedly leaking oilfield gases to the surface, giving rise to a hazardous situation that is also harmful to the environment and wildlife. Grassroots Coalition is aware of DOGGR inspections of the UCS well area in the marsh in the 2010 timeframe. The videotaped DOGGR inspection reveals DOGGR personnel utilizing a magnetometer to first locate the UCS well head and then taking a GPS of the same location. Continuous outgassing can be seen at this data collection site in the marsh. Grassroots Coalition is not aware of any inspections since this timeframe.

Grassroots Coalition hosted a zoom meeting with Cal Gem personnel and oilfield gas experts on June 18, 2020, during which discussion of the hazards of the ongoing outgassing and heightened magnitude were discussed. These oil/gas experts have offered their availability to further discuss their knowledge pertaining to the area and University City Syndicate. The cover letter includes the Grassroots Coalition website link with some of their written comments pertaining to University City Syndicate.

University City Syndicate information

- The Well is not visible at surface level as the well was abandoned by Playa Capital LLC. to: 1) end leakage of low- level oilfield outgassing discovered by ETI (ETI Report 2000). And, 2) the well was reabandoned to make way for Playa Capital LLC's (Playa Vista) freshwater flood control, catch-basin which has a clay liner at its base, located above the abandoned well.
- The Well is located within a heavily trafficked public park/ ecological area known as the freshwater marsh and near the heavily populated residential area known as Playa Vista, including its primary school.
According to Victor Jones/ ETI; David Becker, Richard Sharpe of GIDG LLC and Tom Williams Phd, University City Syndicate presents itself as a leaking well, a hazardous conduit for oilfield gases and as an ongoing danger and threat to the public and the environment from fire and explosion hazards and toxins. Their meeting with CalGEM and LARWQCB officials recommended immediate re-abandonment to correct these hazards.
- The Well is located within the freshwater marsh which drains to the Ballona Channel and the Ballona Wetlands Ecological Reserve which has both a seasonally active watercourse and ponding habitat for numerous endangered species including the Ecological Reserve's Title 14, Section 630 Purpose and Goals' protections to the endangered Belding's Savannah Sparrow and

its pickleweed habitat. The water must be maintained to a livestock drinking water quality (Playa Vista EIR mitigation measures). The well also intersects freshwater aquifers below the clay liner of the catch-basin, which are classified by the LA Regional Water Quality Control Board as Potential Drinking Water. Additionally, under the Sustainable Groundwater Management Act, the area is classified as a Groundwater Dependent Ecosystem, hence this well directly and indirectly affects the health and well-being of the Ecological Reserve which is to have the highest level of protection from the state of California. The multiple freshwater aquifers, UCS intersects, are also protected under the California Porter-Cologne Act as well as the federal Clean Water Act. And, Cal Gem has its own PRC Codes adherence for protection of the state's freshwater resources.

- Available information indicates fresh groundwater is present at and near the surface around the Well, (the depth of the freshwater is approximately 3-4 feet in the well's area and the groundwater is at or near the surface across the Playa Vista, Ballona Wetlands area (Playa Vista EIR).

- A nearby well, Community 1, located in Playa Vista, on the east side of Lincoln Blvd. may be leaking hydrocarbons to the surface. Oilfield gas studies performed under the oversight of the Dept. of Toxic Substances Control (DTSC), performed several years after the ETI gas studies, found increasing levels of oilfield gas occurring in the Playa Vista school area (classification of the gas levels went from Tier 1 to Tier 3 (the highest City of LA mitigation level) per the City of Los Angeles' Playa Vista Methane Prevention Detection and Monitoring Program of Playa Vista. The school location is on the east side of Lincoln Blvd., south of Teale Ave. (now known as Bluff Creek Drive)). The increase in oilfield gas levels was discovered via DTSC studies done after ETI's earlier gas studies. The DTSC studies revealed an increase in gas levels also trending greater in the direction of the Community 1 well, however, Community 1 was outside the jurisdiction of DTSC and the gas studies done for the proposed school site therefore, no further gas studies were done to locate a potential source of the increased gas levels. The hydrocarbon emissions, as cited by both ETI Inc. and DTSC, likely originate from a pressurized (thermogenic) hydrocarbon-bearing formation penetrated by these wells.

Since these gas studies were performed, it is also now known that SoCalGas reservoir gas leakage has been leaking throughout this area and was cause for DOGGR's shut-down of SoCalGas gas storage operations' injection of gas but for testing purposes. The shut down of SCG operations lasted for about a year in the 2010-11 timeframe (DOGGR ORDER 1008).

Grassroots Coalition believes that the information contained herein, provides sufficient reason to question the integrity of the previous abandonment of University City Syndicate as an adequate safeguard against the danger University City Syndicate presents to life, health, property, and natural resources.

Similarities of a Canoga Oil Field well serve as Model for Grassroots Coalition's Request for Investigation/ Re-abandonment of University City Syndicate (API 04037 14087) in the Playa del Rey Oilfield/ SoCalGas Underground Gas Storage area:

As cited by the State Oil and Gas Supervisor (Supervisor), acting through the Geologic Energy Management Division (CalGEM), and under the authorities cited by the Supervisor in the similar oil well reabandonment of the well API 037-01168:

“Order to Reabandon Well and Restore Well Site No. 1216

I. Introduction

The State Oil and Gas Supervisor (Supervisor), acting through the Geologic Energy Management Division (CalGEM), and under the authority of Division 3 of the Public Resources Code (PRC; commencing with PRC section 3000) and title 14 of the California Code of Regulations (Regulations), may order or permit the reabandonment of any previously abandoned well if the Supervisor has reason to question the integrity of the previous abandonment, or if the well is not accessible or visible. (See PRC section 3208.1, subd. (a).) Based on CalGEM’s records, W. J. McCarthy-Wally Dennis (Operator) is or was an “operator” (as defined in PRC, § 3009) and is responsible (as specified in PRC, § 3224), for reabandonment of the well and the restoration of the well site on abandoned well “Knapp” 2 (API 037-01168) (the Well). Based on information, belief, and the evidence described below, the Supervisor has reason to question the integrity of the previous abandonment of the Well. Therefore, pursuant to PRC sections 3106, 3208.1, 3224, 3226, and 3237, and as set forth below, the Supervisor is ordering Operator to reabandon the Well and restore the well site, consistent with all applicable requirements, including PRC sections 3208, 3228, 3229, and 3230;

Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit or approval CalGEM may issue pursuant to PRC section 3229.

II. Definitions

PRC section 3008, subdivision (a), defines “well” to mean, among other things, “any oil or gas well or well for the discovery of oil or gas; any well on lands producing or reasonably presumed to contain oil or gas.”

PRC section 3009 defines “operator” to mean “a person who, by virtue of ownership, or under the authority of a lease or any other agreement, has the right to drill, operate, maintain, or control a well or production facility.”

PRC section 3010 defines “production facility” to mean “any equipment attendant to oil and gas production or injection operations including, but not limited to, tanks, flowlines, headers, gathering lines, wellheads, heater treaters, pumps, valves, compressors, injection equipment, and pipelines that are not under the jurisdiction of the State Fire Marshal pursuant to Section 51010 of the Government Code.” (See also Regulations, § 1760, subd. (r).)

III. State Oil and Gas Supervisor Authority

PRC section 3013 states that the oil and gas conservation laws (Division 3 of the PRC, commencing with § 3000) “shall be liberally construed to meet its purposes” and grants the Supervisor “all powers” that may be necessary to carry out those purposes.

PRC section 3106 authorizes the Supervisor to supervise the drilling, operation, maintenance, and abandonment of oil and gas wells to “prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances.”

PRC section 3208.1, subdivision (a), authorizes the Supervisor to order or permit the reabandonment of any previously abandoned well if the Supervisor “has reason to question

the integrity of the previous abandonment, or if the well is not accessible or visible.”

PRC section 3208.1, subdivision (b), states “[t]he operator responsible for plugging and abandoning deserted wells under Section 3237 shall be responsible for the reabandonment” except in certain specific situations not applicable here.

PRC section 3224 mandates that the Supervisor “order such tests or remedial work as in his judgment are necessary to prevent damage to life, health, property, and natural resources; to protect oil and gas deposits from damage by underground water; or to prevent the escape of water into underground formations, or to prevent the infiltration of detrimental substances into underground or surface water suitable for irrigation or domestic purposes, to the best interests of the neighboring property owners and the public.”

PRC section 3226 sets default deadlines by which operators must comply with certain types of CalGEM orders requiring work, and authorizes the Supervisor, based on a final or affirmed CalGEM order, to appoint agents who may enter the premises and perform necessary work if the operator did not timely complete the work as ordered. Any amount CalGEM expends to ensure completion of the necessary work (as well as potential penalties and interest) constitutes a lien against the operator’s real or personal property according to PRC section 3423.

PRC section 3237, subdivision (c)(1), states: “[t]he current operator, as determined by the records of the supervisor, of a deserted well that produced oil, gas, or other hydrocarbons or was used for injection is responsible for the proper plugging and abandonment of the well or the decommissioning of deserted production facilities.”

IV. Reason to Question the Integrity of the Previous Abandonment

According to CalGEM’s records, Operator drilled the Well in May 1952 and undertook operations to abandon the Well in April 1963. CalGEM approved Operator’s abandonment of the Well as compliant with then-applicable requirements, as documented in a Report of Well Abandonment dated April 10, 1963.

During a number of recent inspections, the latest on June 3, 2021, of the Well’s surface location and nearby portions of the Canoga Park Oil Field, and during subsequent record review, CalGEM staff observed the following:

- The Well is not visible at surface level.
- The Well is located near a public park and a residential area.
- The Well is located in a shallow canyon which drains to a seasonally active watercourse.
- Available information indicates fresh groundwater is present at a shallow depth in the area around the Well—generally less than 30 feet below the ground surface.
- A nearby well, “Knapp” 3 (Frank Knapp) (API 037- 00494), is leaking hydrocarbons to the surface. These hydrocarbons likely originate from a pressurized hydrocarbon-bearing formation penetrated by, or otherwise in communication with, the “Knapp” 3 (Frank Knapp) well. CalGEM records indicate the “Knapp” 3 (Frank Knapp) well and the Well (“Knapp” 2, as defined above) may penetrate the same formations. The observations described above, along with other CalGEM records, indicate the previous abandonment of the Well is not consistent with current abandonment standards. The previous abandonment of the Well falls short of current standards for surface plugging in several respects, such as the absence of a cement plug across the casing shoe and the welding of a labeled steel plate around the top circumference of the surface casing. (See Regulations section 1723.5.)

Based on information, belief, and the facts described above—including the apparent deficiencies in the previous abandonment relative to current standards and the location of the Well relative to various natural resources and public areas—the Supervisor has reason to question the integrity of the previous abandonment of the Well as an adequate safeguard against the danger the Well presents to life, health, property, and natural resources.

V. Operator's Required Actions

For the reasons stated above, the Supervisor has determined that reabandonment and remedial work is necessary to prevent damage to life, health, property, and natural resources. Therefore, pursuant to PRC sections 3013, 3106, 3208, 3222, 3224, and 3226, IT IS HEREBY ORDERED that Operator reabandon the Well and restore the well site consistent with all applicable requirements of PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit CalGEM may issue pursuant to PRC section 3229. Operator is ordered to complete this reabandonment and site restoration work within 90 days following the date of this Order.

VI. Operator's Appeal Rights

Operator may appeal this Order by filing a timely written notice of appeal with the Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing with PRC section 3350. (PRC, §§ 3225, subd. (d), 3237, subd. (b).) If this order is mailed to you, the Director must receive the appeal within (15) days from the date the Supervisor mails the order. To file an appeal, a written notice of appeal may be sent via U.S. mail to:

Department of Conservation
Director's Office of Appeals
801 K Street, MS 24-03 (Legal Office, Chief Counsel)
Sacramento, California 95814-3530

Or via electronic mail:

CalGEMAppeals@conservation.ca.gov

If Operator files a timely written notice of appeal, Operator will be informed of the appeal hearing date, time, and place. Following the hearing, Operator will receive a written decision that affirms, sets aside, or modifies the appealed order.

If Operator does not file a timely written notice of appeal, or if the order is affirmed following an appeal, this order will become a final order and CalGEM may contract for performance of the work, pursuant to PRC section 3226, if, within 30 days of this order, Operator has not, in good faith, commenced the work ordered. Any costs incurred by

CalGEM to obtain compliance with this order (which may include penalties and interest) will constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, § 3356.)

VII. Other Potential Actions to Enforce This Order

Failure to comply with Section V (Operator's Required Actions) of this order could subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for any person who violates, fails, neglects, or refuses to comply with any of the provisions of the oil and gas conservation laws commencing at PRC section 3000. PRC section 3236.5 authorizes the Supervisor to impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the PRC or any regulation that implements those statutes, and the Supervisor may in the future impose further civil penalties based on the facts and omissions underlying this order. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct offense. (PRC, § 3359.)

DATED: September 2, 2021

Uduak-Joe Ntuk , State Oil and Gas Supervisor

Thank you for your time spent in review of this request and Grassroots Coalition seeks response and reserves its right to provide further data and information as it becomes available from its files and to be responsive to requests or queries from CalGEM. Grassroots Coalition also offers its contact information for additional meetings with CalGEM regarding this health and safety matter.

Patricia McPherson, Grassroots Coalition