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June 4, 2024

The Honorable Dave Min, Chair
Senate Committee on Natural Resources and Water
1021 O Street, Room 3220
Sacramento, CA 95814

RE: AB 1866 (Hart), Arbitrary abandonment of idle oil and gas wells – OPPOSE

Dear Senator Min,

I am writing on behalf of the Kern County Board of Supervisors to express our serious concerns with AB 1866 (Hart), which would dramatically increase the minimum percentage of idle wells that operators must eliminate annually and prevent operators from returning idle wells with remaining untapped capacity to active production. This action will further impact sources of domestic oil production and essentially require operators to prematurely plug and abandon all idle wells in California.

This bill fails to recognize the robust idle well management system currently in place in California and will now require operators to file a plan for the aggressive phaseout of all of their idle wells, long-term or otherwise, even though the well may still have economic life or could be repurposed for future use.

California's current Idle Well programs already require operators to inventory, evaluate, test, and abandon idle wells under the California Geologic Energy Management Division's (CalGEM) direction. For one of the programs, since 2018, CalGEM has managed operators' Idle Well Management Plans (IWMP), resulting in the orderly plugging and closure of thousands of long-term idle wells. More broadly, the usage of the IWMP has provided the state and operators with critical flexibility to maintain the availability of wells that, while not presently producing, still retain potential future production capacity to benefit Californians. Additionally, idle wells are required to be tested for well integrity to enhance public safety and mitigate environmental concerns. Furthermore, CalGEM has the authority to order the plugging and abandonment of an idle well that has been deserted (Section 3237(a)(1) of the Public Resources Code covers any well, including idle wells).

On November 28, 2018, the California Council on Science and Technology (CCST) published a report titled "Orphan Wells in California: An Initial Assessment of the State's Potential Liabilities to Plug and Decommission Orphan Oil and Gas Wells¹." The CCST analysis focused on wells that may already be orphaned or are at high risk of becoming orphan wells in the near future and found that 5,540 wells

¹ <https://ccst.us/wp-content/uploads/CCST-Orphan-Wells-in-California-An-Initial-Assessment.pdf>.

in California may already have no viable operator or be at high risk of becoming orphan wells. In response to the CCST report CalGEM put together a list of 5,356 wells that were "orphaned, deserted, or potentially deserted." Roughly 95% of the wells on this list were "potentially deserted wells" where the owner/operator did not pay idle well fees over a period of time. Many of these wells are located in urban areas throughout the State and some are labeled as "critical wells" which means a well within 300 feet of a building, an airport runway, a street or highway, body of water, public recreational facility, or a wildlife preserve. Policymakers should prioritize and focus on these particular critical wells for plugging and decommissioning rather than pass an arbitrary increase in abandonment thresholds that is not based on science or fact and does nothing to address the immediate health and safety issues created by known deserted wells.

California already imports 75% of its crude oil supplies from foreign countries that don't share California's values and environmental standards. Any policies that potentially reduce the ability to produce oil in California would increase imported oil which threatens reliability, sustainability, and affordability for California's diverse communities. Requiring an idle well to be plugged and abandoned has the potential to eliminate a well that may be used for other purposes, such as for renewable energy projects and carbon capture and sequestration.

For these reasons, the Kern County Board of Supervisors strongly opposes this legislation and respectfully requests that you vote **NO on AB 1866**.

Sincerely,

A handwritten signature in blue ink, appearing to read 'David Couch', with a stylized, cursive script.

David Couch, Chairman
Kern County Board of Supervisors

cc: Honorable Members, Senate Committee on Natural Resources and Water
Honorable Members, Kern Legislative Delegation
Western States Petroleum Association
California Independent Petroleum Association
Kern County Planning and Natural Resources Department
Shaw Yoder Antwih Schmelzer & Lange