



Citizens for Responsible Oil and Gas

Local residents working to ensure effective oversight of oil and gas operations in Ventura County

PL15-0187 Comments from Citizens for Responsible Oil and Gas (CFROG)

May 11, 2016

To: Ojai City Council,

Citizens for Responsible Oil and Gas is grateful for the opportunity to comment on this project. CFROG is **NOT** opposed to oil and gas production. CFROG is prepared to fully support this application **IF** it contains a well abandonment plan with enforceable conditions that will terminate in 20 years with all permitted wells fully abandoned according to DOGGR rules and regulations. CFROG also recommends the permit should be for no more than two active wells at any time.

The reasons CFROG asks for an abandonment and monitoring plan, and urges our City Council members to join in our request, are as follows.

Seven of the nine wells included in this application are idle and two of those have been idle for decades (see well list page 4). One of these wells has a DOGGR approved abandonment permit, but the work was never done. During the 2011 Ojai Valley MAC meeting comments on the last permit, Mr. Simonson, operator of the wells, told the MAC members that “most of the wells are inoperable.” (MAC minutes)

The Active Wells

The two active wells (see well list pg. 4) combined produced 2,186 barrels of oil in 2015 and 2,609 barrels of wastewater. Averaged by the day, that is a combined total of 5.98 barrels of oil and 7.34 barrels of wastewater. A minimal oil well in this County produces about 20 barrels of oil per day. (Anneleise Anderle, retired DOGGR supervisor and CFROG Advisor)

Given the low oil production from this CUP, the cost of transportation of both wastewater and oil, and the cost of production itself, it is not unreasonable to assume that this declining oil field is nearing the end of its productive life.

An abandonment plan might be as simple as requiring that one well selected at the operator’s discretion be abandoned every two years. This way, in the twenty-year life of the permit, all wells would be abandoned.

The following is a real, ongoing story explaining why an abandonment plan should be included in the conditions for this CUP.

Not long ago, a family in Simi Valley bought some land and built a house near three active oil wells. The operator of the wells was getting older and losing interest in the declining wells. As years went by, production grew very small and when the operator died, the wells (still in Active status) became the property of his wife. She stopped operating the wells altogether and has since become deceased. In February 2015 during an Air Pollution Control District inspection of the wells, one very large gas leak and a second less severe leak were detected. In July of 2015, the wells were declared deserted by DOGGR. DOGGR is now waiting for enough funds to become available from the highly under-funded State Orphaned Well Fund to properly abandon the wells. The family would like some assurance that the gas leaks are not ongoing and that their home and health are not at risk, so they are in the process of asking the City of Simi for assistance.

Two short files from APCD and DOGGR are available documenting this ongoing story are attached in separate PDF files -

- 1) [Barnett Tank Farm APCD Inspection Feb. 2015](#)
- 2) [DOGGR Plug and Abandonment Order July 2015](#)

This CUP will be granted to the Bentley Family Trust. That may be fine today, but circumstances change and CUP's are frequently sold. The Bentley family is the fourth owner of this CUP.

CFROG will comment on any abandonment plan proposed by the County. We recognize that one or more of the idle wells may be redeemable. However, the CUP should contain a statement that prohibits well stimulation techniques and any re-drilling without a modification of the CUP.

Authorities:

Policy 1.3.2 Ventura County General Plan

8. All discretionary development shall be conditioned for the proper drilling and construction of new oil, gas and water wells and destruction of all abandoned wells on-site.

Ojai Valley Area Plan: Oil and Gas Policy 1.3.2 (9)

“As existing oil and gas exploration and production permits are modified or come up for renewal, they shall be conditioned so that drilling and production will be subject to current policies, standards, and conditions.”

Ventura Non-Coastal Zoning Ordinance, § 8107-5.6.11 Site Maintenance

If the well has been suspended, idled, or shut in for 30 days, as determined by the Division of Oil and Gas, all such equipment and materials shall be removed within 90 days.

CFROG also strongly suggests that the City Council ask the County to conduct a periodic review of the progress toward the abandonment plan and provide a periodic public report to both the Ojai City Council and MAC.

Authority: Non-Coastal Zoning Ordinance

Sec. 8107-5.6.27 - Inspection, Enforcement and Compatibility Review To ensure that adequate funds are available for the legitimate and anticipated costs incurred for monitoring and enforcement activities associated with new or modified oil and gas related Conditional Use Permits, the permittee shall deposit with the County funds, determined on a case-by-case basis, prior to the issuance of a Zoning Clearance. The funds shall also cover the costs for any other necessary inspections or the resolution of confirmed violations that may occur. One deposit may

be made to cover all of the permittee's various permits. In addition, all new or modified Conditional Use Permits for oil and gas related uses shall, at the discretion of the Planning Director, be conditioned to require a compatibility review on a periodic basis. The purpose of the review is to determine whether the permit, as conditioned, has remained consistent with its findings for approval and if there are grounds for proceeding with public hearings concerning modification, suspension, or revocation of the permit. (ADD. ORD. 3900 - 6/20/89)

AIR QUALITY

The CEQA baseline for this project was November 2015. At that time, only three of the nine wells were actively producing. Therefore, under CEQA, six of the wells under this permit would be new sources of emissions. The Ventura County APCD has determined that each oil well **AFTER BACT** emissions controls are installed emits 2 lbs. of ROC per day. Thus, six new oil wells will emit 12 lbs. of ROC total per day. This amount of ozone precursor emissions is far beyond the 5 lbs. of ROC emissions per day allowed in the Ojai Valley Air Shed. (OVAP)

Thus, the CEQA review for this project must include a focused EIR on Air Quality unless the permit is limited to two active oil wells at any time.

Authority:

Ojai Valley Area Plan 1.1.2 Policies

1. Discretionary development in the Ojai Valley shall be found to have a significant adverse impact on the regional air quality if daily emissions would be greater than 5 pounds per day of Reactive Organic Compounds (ROC) and/or greater than 5 pounds per day of Nitrogen Oxides (NOx).

**Bentley Oil Project CUP's 37 and CUP 4159 (LU05-0154)
New Project PL15-0187 address Creek Road, Ojai
Oil Well List
Application Request is for Nine total wells**

2 ACTIVE WELLS

- "B and B No. 2" API 11121257 **ACTIVE** 2015 1,808 bbl oil, 71 water, 0 gas 365 days
- "Bailey #4" API 11101354 **ACTIVE 2015** 278 bbl oil, 2,609 water, 365 days

1 Idle (not baseline)

The following well is by definition idle but did not qualify as idle for CEQA baseline purposes:

- "#10" API 11101357 **IDLE** 10/1/2011 1,617 bbl 304 days, must be active 6 months in last 5 years. Therefore, it will be idle on May 1, 2016.

6 IDLE WELLS

Definition of IDLE WELL:

Public resources code 3008

(d) "Idle well" means any well that has not produced oil or natural gas or has not been used for injection for six consecutive months of continuous operation during the last five or more years. An idle well does not include an active observation well.

The following four wells last produced any fluid in March of 2010, therefore they are now idle wells.

- Bailey #1 API 11101351 **IDLE** 3/1/2010 172 bbl. 365 days
- Bailey #5 API 11101355 **IDLE** 3/2010 85 bbls 365 days
- Bailey #9 API 11100530 **IDLE** 3/2010 3 bbls 90 days
- Bailey #11 API 11101358 **IDLE** 3/1/2010 44 bbl 90 days

The last two wells in the permit are long-term idle wells and are overdue for idle well testing which is required every five years from the last date of production.

- Hammond #2 API 11101102 **LONG TERM IDLE 01/2003** DOGGR letter in file from DOGGR for overdue testing.
- Hammond #3 API 11101103 **LONG TERM IDLE 07/1996** 30 days active no oil and no water was produced so it was likely a reporting error. The well last produced in 1996.