



March 5, 2019

*clear  
 3/5/2019  
 E*

**VIA U.S. MAIL AND EMAIL**

Governor's Office of Planning & Research

MAR 05 2019

STATE CLEARINGHOUSE

Megan Martin  
 County of San Luis Obispo  
 Department of Planning & Building  
 976 Osos Street, Room 200  
 San Luis Obispo, CA 93408-2040

Dear Ms. Martin,

SCH# 2019029010 ALLAN MINOR USE PERMIT MITIGATED NEGATIVE DECLARATION, SAN LUIS OBISPO COUNTY

The Division of Oil, Gas, and Geothermal Resources (Division) appreciates the opportunity to submit comments on the Allan Minor Use Permit Project (Project).

The Division's authority is set forth in Division 3 of the Public Resources Code (PRC), and Title 14 of the California Code of Regulations (CCR). PRC § 3208.1 establishes well re-abandonment responsibility when a previously plugged and abandoned well may be impacted by planned property development or construction activities. Local permitting agencies, property owners, and/or developers should be aware of, and fully understand, that significant and potentially dangerous issues may be associated with development near oil, gas, or geothermal wells.

The Division has reviewed the Mitigated Negative Declaration for the above referenced Project, received February 12, 2019. To assist local permitting agencies, property owners, and developers in making wise land use decisions regarding potential development near oil, gas, or geothermal wells, the Division provides the following information.

The Project is in San Luis Obispo county, within the boundaries of the Huasna oil field. Our records indicate there is one known oil well located on the parcel where the Project is located. The well listed below is not plugged and abandoned to current Division requirements as prescribed by law, and based upon information provided, does not plot where proposed development may impede access to the well. **It is the opinion of the Division that this well requires abandonment or re-abandonment.** If the location of the development is adjusted, such that access to the well is impeded, the Division has authority to order well re-abandonment under PRC section 3208.1. The record and location for the above mentioned well is available online at <https://www.conservation.ca.gov/dog/Pages/WellFinder.aspx>

| Well  | Status   |
|---|--|
| <p><b>Texas Pacific Coal &amp; Oil Co.</b></p> <p>Well No. 1</p> <p>API 079-00673</p> <p>Abandoned: 2-20-1932</p> | <p>The record review process shows that the subject well is <b>not</b> plugged and abandoned consistent with current PRC and CCR requirements as of March 5, 2019.</p> <p>Based on well records:</p> <ol style="list-style-type: none"> <li>1. Hydrocarbon zone plug is not present (CCR § 1723.1).</li> <li>2. Base of freshwater plug is not present (CCR § 1723.2).</li> <li>3. Inadequate plug at the casing shoe (CCR § 1723.3).</li> <li>4. Surface plug is not present (CCR § 1723.5).</li> </ol> |

**The Division categorically advises against building over, or in any way impeding access to, oil, gas, or geothermal wells.** Access is considered the ability for a well servicing unit and associated necessary equipment to reach a well from a public street or access way, solely over the parcel on which the well is located. A well servicing unit, and any necessary equipment, should be able to pass unimpeded along and over the route, and should be able to access the well without disturbing the integrity of surrounding infrastructure. Items that can affect well access include, but are not limited to, buildings, housing, permanent equipment, infrastructure, fencing, hardscape, landscape, trees, pools, patios, sidewalks, roadways, parking lots, waterways or channels, and decking. Impeding access to a well could result in the need to remove any structure or obstacle that prevents or impedes access.

There are no guarantees a well abandoned in compliance with current Division requirements will not start leaking in the future. It always remains a possibility that any well may start to leak oil, gas, and/or water after abandonment, no matter how thoroughly the well was plugged and abandoned. The Division acknowledges wells plugged and abandoned to the most current standards have a lower probability of leaking in the future, however there is no guarantee that such abandonments will not leak.

**The Division advises that all wells identified on the development parcel prior to, or during, development activities be tested for liquid and gas leakage.** Surveyed locations should be provided to the Division in Latitude and Longitude, NAD 83 decimal format. The Division expects any wells found leaking to be reported to it immediately.

Failure to plug and re-abandon a well may result in enforcement action, including an order to perform re-abandonment well work, pursuant to PRC § 3208.1, and 3224.

PRC § 3208.1 gives the Division the authority to order or permit the re-abandonment of any well where it has reason to question the integrity of the previous abandonment, or if the well is not accessible or visible. Responsibility for re-abandonment costs may be affected by the choices made by the local permitting agency, property owner, and/or developer in considering the general advice set forth in this letter. The PRC continues to define the person or entity responsible for re-abandonment as:

March 5, 2019

Megan Martin

SCH# 2019029010 ALLAN MINOR USE PERMIT MITIGATED NEGATIVE DECLARATION, SAN LUIS OBISPO COUNTY

1. **The property owner** - If the well was plugged and abandoned in conformance with Division requirements at the time of plugging and abandonment, and in its current condition does not pose an immediate danger to life, health, and property, but requires additional work solely because the owner of the property on which the well is located proposes construction on the property that would prevent or impede access to the well for purposes of remedying a currently perceived future problem, then the owner of the property on which the well is located shall obtain all rights necessary to re-abandon the well and be responsible for the re-abandonment.
  
2. **The person or entity causing construction over or near the well** - If the well was plugged and abandoned in conformance with Division requirements at the time of plugging and abandonment, and the property owner, developer, or local agency permitting the construction failed either to obtain an opinion from the supervisor or district deputy as to whether the previously abandoned well is required to be re-abandoned, or to follow the advice of the supervisor or district deputy not to undertake the construction, then the person or entity causing the construction over or near the well shall obtain all rights necessary to re-abandon the well and be responsible for the re-abandonment.
  
3. **The party or parties responsible for disturbing the integrity of the abandonment** - If the well was plugged and abandoned in conformance with Division requirements at the time of plugging and abandonment, and after that time someone other than the operator or an affiliate of the operator disturbed the integrity of the abandonment in the course of developing the property, then the party or parties responsible for disturbing the integrity of the abandonment shall be responsible for the re-abandonment.

To view PRC § 3208.1 in its entirety, please visit:  
<ftp://ftp.consrv.ca.gov/pub/oil/laws/PRC10.pdf>

No well work may be performed on any oil, gas, or geothermal well without written approval from the Division. Well work requiring written approval includes, but is not limited to, mitigating leaking gas or other fluids from abandoned wells, modifications to well casings, and/or any other abandonment or re-abandonment work. The Division also regulates the top of a plugged and abandoned well's minimum and maximum depth below final grade. CCR § 1723.5 states well casings shall be cut off at least 5 feet but no more than 10 feet below grade. If any well needs to be lowered or raised (i.e. casing cut down or casing riser added) to meet this regulation, a permit from the Division is required before work can start.

The Division makes the following additional recommendations to the local permitting agency, property owner, and developer:

1. To ensure that present and future property owners are aware of (a) the existence of all wells located on the property, and (b) potentially significant issues

March 5, 2019

Megan Martin

SCH# 2019029010 ALLAN MINOR USE PERMIT MITIGATED NEGATIVE DECLARATION, SAN LUIS OBISPO COUNTY

associated with any improvements near oil or gas wells, the Division recommends that information regarding the above identified well(s), and any other pertinent information obtained after the issuance of this letter, be communicated to the appropriate county recorder for inclusion in the title information of the subject real property.

2. The Division recommends that any soil containing hydrocarbons be disposed of in accordance with local, state, and federal laws. Please notify the appropriate authorities if soil containing significant amounts of hydrocarbons is discovered during development.

As indicated in PRC § 3106, the Division has jurisdictional authority over the drilling, operation, maintenance, and abandonment of oil, gas, and geothermal wells, and attendant facilities, to prevent, as far as possible, damage to life, health, property, and natural resources, damage to underground oil, gas, and geothermal deposits, and damage to underground and surface waters suitable for irrigation or domestic purposes. In addition to the Division's authority to order work on wells pursuant to PRC §§ 3208.1 and 3224, it has authority to issue civil and criminal penalties under PRC §§ 3236, 3236.5, and 3359 for violations within the Division's jurisdictional authority. The Division does not regulate grading, excavations, or other land use issues.

If during development activities any wells are encountered that were not part of this review, a Division engineer in the Coastal District - Orcutt office is to be notified immediately, and an amended site plan with well casing diagrams for Division review shall be filed. After appropriate review, the District office will send a follow-up well evaluation letter to the property owner, applicant, and local permitting agency.

Thank you for considering the Division's comments. If you have any questions, please contact our district office at (805) 937-7246 or via email at [DOGGRCoastal@conservation.ca.gov](mailto:DOGGRCoastal@conservation.ca.gov).

Sincerely,

 For PAAbel

Patricia A. Abel  
Coastal District Deputy

cc: State Clearinghouse  
OLRA, Christine Hansen/Vannesa Adame/Neveen Habib  
CEQA, Jan Perez  
CEQA - Unit  
CSWR File  
Chrono  
Well File