



January 3, 2017

SENT VIA EMAIL

Mr. Rodger Schwecke
Vice President
Transmission and Storage
Southern California Gas Company
RSchwecke@semprautilities.com

FINDING THAT WELL FERNANDO FEE 38C (API NO. 03724232) PASSED TESTS REQUIRED TO ENSURE MECHANICAL INTEGRITY

Dear Mr. Schwecke:

I am writing in regard to the safety review test results for one of the 114 wells at the Aliso Canyon gas storage facility (Facility). Each of these wells are subject to the comprehensive safety review that State Oil and Gas Supervisor Order 1109 and SB 380¹ require to be completed before the Division of Oil, Gas, and Geothermal Resources (Division) may authorize resumption of injection operations at the Facility. Order 1109 describes two batteries of well tests. To complete the review, each well must (1) pass both batteries of tests, (2) pass the first battery of tests and be taken out of service and isolated from the underground gas storage reservoir, or (3) be properly plugged and abandoned.

The first battery of tests is an initial casing assessment that uses temperature and noise logs to ensure that there is no migration of fluids near the wellbore. The second battery of tests consists of a casing inspection using electromagnetic and ultra-sonic technologies, a multi-arm caliper inspection, a cement bond log, and a positive pressure test to ensure well integrity and the prevention of fluid and gas migration. The Division posts the current status and testing results for each of the 114 wells on its website at <http://www.conservation.ca.gov/dog/AlisoCanyon/Pages/Well-Detail.aspx>.

After receiving and evaluating all test results for the well, I find for purposes of Order 1109 and SB 380, that well Fernando Fee 38C (API No. 03724232) passed the first and second batteries of the comprehensive safety review testing regime and, as of April 5, 2016, the mechanical integrity of the well has been ensured. Accordingly, this well may be used for injection if and when I authorize injection operations to resume at the Facility, and if the well is in compliance with all other applicable requirements. I make this finding as of the date of this letter, and underscore that ongoing monitoring and testing are necessary to ensure the continued integrity of the well.

Sincerely,

Kenneth A. Harris Jr.,
State Oil and Gas Supervisor

¹ Senate Bill 380 (Pavley, Chapter 14, Statutes of 2016) codified in part at Public Resources Code section 3217.