



FOR IMMEDIATE RELEASE

June 8, 2016

CONTACT: DOC: Teresa Schilling or Don Drysdale, (916) 323-1886 or pao@conservation.ca.gov
Los Angeles Mayor's Communications Office, (213) 978-0741

ORPHAN OIL WELLS IN L.A. NEIGHBORHOOD TO BE PERMANENTLY SEALED

LOS ANGELES – State regulators, in cooperation with the City of Los Angeles, will permanently seal two oil wells that were deserted by irresponsible operators and have seeped small amounts of gas in a residential neighborhood. The wells pose no imminent danger, but they are very old, near homes, and will continue to deteriorate without intervention. This has prompted state officials to utilize a special fund to ensure the wells are sealed to current standards.

“The owners or operators walked away from these wells and never properly sealed them, so now the state must step in and close them correctly,” said California Department of Conservation (DOC) Director David Bunn. “These wells need to be properly sealed. We understand the work will inconvenience the community and are working hard to reduce those impacts and get everything finished as quickly as possible.”

These deserted wells are in the front yards of two residences on Firmin Street in Echo Park. The wells are part of the Los Angeles City oil field, which dates to the early 1900s.

In 2012 and 2015, DOC’s Division of Oil, Gas, and Geothermal Resources issued remediation orders to the last known operators of the wells — Manley Energy Company and H. Rogalske — but neither party responded nor could they be located for further legal action.

“The safety of our neighborhoods is my top priority,” said Los Angeles Mayor Eric Garcetti. “These two deserted oil wells must be permanently sealed to protect the residents of Firmin Street, and the City of Los Angeles is working closely with state regulators to ensure this work is done quickly and safely.”

Added Aram Sahakian, General Manager of the Los Angeles Emergency Management Department: “The Emergency Management Department is ready to coordinate city services with our partners from all levels of government to ensure safe operations and safety for area residents.”

Properly sealing the wells will take approximately six weeks. City and state officials will go door to door in the neighborhood and hold a community forum to discuss the work before it commences. Vehicle access

and parking in the immediate neighborhood will be impacted during the project. Work will generally occur only during daylight hours, and all reasonable efforts will be made to avoid inconveniencing residents.

Many parts of Los Angeles are built atop former oil fields. Residents wishing to see where their homes are in relation to oil wells, and the status of those wells, can type their address into the Division of Oil, Gas, and Geothermal Resources' WellFinder tool, <http://maps.conservation.ca.gov/doggr/#close>. Residents are reminded to call 9-1-1 anytime they smell gas.

“If a resident believes they have an old oil or gas well on their property, they can email us and we can provide more information,” DOC Director Bunn said. Emails should be sent to DOGDIST1@conservation.ca.gov. “With the limited funding we have to address orphan wells, we prioritize sites that are leaking or are close to residential or environmentally sensitive areas.”

State law requires oil well owners to properly seal wells after they finish exploiting them. Many oil well owners and businesses comply with these requirements, but unfortunately some do not. Since 1977, the Division has plugged more than 1,350 orphan wells at a cost of more than \$27 million. The oil and gas industry pays an assessment to fund this work. The Division currently is authorized to spend up to \$1 million per year to remediate orphan wells.

There are an estimated 900 orphan wells in the city of Los Angeles, most of which are buried.

DOC has efforts on three fronts to increase funding for orphan well remediation.

◆ First, DOC is authorized to spend \$1 million annually on orphan well remediation. The Department has a proposal in the 2016-17 budget currently pending before the State Legislature to increase the funding by an additional million dollars for fiscal year 2016-17. DOC is required to complete remediation work before attempting to recover its costs.

◆ Second, DOC is sponsoring Assembly Bill 2729 by Assemblymember Das Williams (D-Santa Barbara) related to improving idle well testing to protect groundwater resources, requiring operators to plug specified percentages of their long-term idle wells and increasing fees that would fund hazardous orphan well abatement.

◆ Third, the Department is sponsoring Assembly Bill 2756 by Assemblymember Tony Thurmond (D-Richmond). Among other things, the bill would enhance enforcement authority for the Division of Oil, Gas, and Geothermal Resources, placing civil penalty revenue into a dedicated environmental remediation account. The revenue generated from this legislation would be spent on orphan well remediation as well as attendant oil and gas pipelines and facilities for which no responsible operator can be identified.

###