



Liability Reporting Categories

- Well Plugging & Abandonment
- Production Facility Decommissioning
- Site Remediation
- Lease
- Scenarios

| Terms | |
|--------------------------------------|---|
| Well Plugging and Abandonment | <p>Involves all subsurface work required to permanently abandon and end all oil and gas operations at any given well site.</p> <p>Start: Move coil tubing unit or rig to location to commence well plugging and abandonment operations.</p> <p>End: Well's surface secured per California Code of Regulations, title 14, section 1723.5 for onshore wells and section 1745.5 for offshore wells.</p> <p>Site remediation for the well follows the completion of the requirements the requirements of California Code of Regulations, title 14, section 1723.5 or 1745.5.</p> |

| Terms | |
|---|---|
| <p>Production Facility Decommissioning</p> | <p>Involves the removal of all onshore surface and offshore production facilities.</p> <p>It includes, but is not limited to the removal and disposal of:</p> <ul style="list-style-type: none"> • Tanks - wash, produced water, storage • Vessels - separators, free-water knockout, heater-treaters • Above-ground pipelines – transmission, flowline, injection, gathering lines, vent, process piping • Buried pipelines • Electrical equipment – poles, transformers, switchgear, cables, wires, conduit, switches, monitoring equipment • Asphalt and concrete – concrete pads, asphalt • Well cellars • Pumps and compressors • Buildings <p>* Per Public Resources Code section 3010, "Production facility" means any equipment attendant to oil and gas production or injection operations including, but not limited to, tanks, flowlines, headers, gathering lines, wellheads, heater treaters, pumps, valves, compressors, injection equipment, and pipelines that are not under the jurisdiction of the State Fire Marshal pursuant to Section 51010 of the Government Code.</p> <p>* A facility setting in WellSTAR is a grouping of an operator's production facilities by physical location.</p> <p>Site remediation for the production facility follows the removal and disposal of the production facility.</p> |

| | |
|-------------------------|--|
| Terms | |
| Site Remediation | <p>Includes all site remediation and restoration activities at or around any given production facility following decommissioning activities, lease, or location around a well following plugging and abandonment activities. The production facility, lease, or location is to be restored back to its natural state as near as practicable in accordance with the requirements of California Code of Regulations, title 14, section 1776.</p> <p>It includes, but is not limited to:</p> <ul style="list-style-type: none"> • Soil excavation and disposal • Secondary Containment - Remove all secondary containment including earthen berms, catch basins, leak pans, retaining walls. • Site Restoration - Sumps and any auxiliary holes must be backfilled with earthen materials and compacted. Excavations must be filled to the level of the surrounding surface and compacted to prevent excessive settling. Slopes must be mitigated to prevent slope collapse. Restore site to as near a natural state as practicable. • Refuse removal - Remove and dispose of all refuse, trash, debris, construction materials, production pads, piers, fencing. • Access roads - Access roads that create a hazard to public safety, property or causes interference with natural drainage shall be restored to as near a natural state as practicable. |
| Lease | <p>Leases are a category that appear on the WellSTAR Electronic Data Delivery (EDD) Template. They are not used for the purpose of reporting cost estimates and may be left blank.</p> |

Scenarios

Scenario 1: Well site

| Type | P&A / Decommissioning | Site Remediation |
|----------|--------------------------|------------------|
| Well | X | X |
| Facility | | |
| Lease | | |

Scenario 2: Production facility setting with wells

| Type | P&A / Decommissioning | Site Remediation |
|----------|--------------------------|------------------|
| Well | X | X |
| Facility | X | X |
| Lease | | |

Scenario 3: Production facility setting without wells

| Type | P&A / Decommissioning | Site Remediation |
|----------|--------------------------|------------------|
| Well | | |
| Facility | X | X |
| Lease | | |

x – requires a numerical input even if the cost is \$0.