

**350 CONEJO / SAN FERNANDO VALLEY • 350 VENTURA COUNTY CLIMATE HUB
CENTRAL COAST ALLIANCE UNITED FOR A SUSTAINABLE ECONOMY (CAUSE)
CLIMATE FIRST: REPLACING OIL & GAS (CFROG) • CONEJO CLIMATE COALITION
THE CLIMATE REALITY PROJECT: VENTURA COUNTY
COMMUNITY ENVIRONMENTAL COUNCIL • FOOD & WATER WATCH
INDIVISIBLE VENTURA • KEEP SESPE WILD • LOS PADRES FORESTWATCH
PATAGONIA • RUNNERS FOR PUBLIC LANDS
SIERRA CLUB, SANTA BARBARA-VENTURA CHAPTER • VENTURA AUDUBON SOCIETY
VENTURA CLIMATE COALITION • VENTURA COUNTY CHAPTER - CITIZENS' CLIMATE LOBBY**

July 27, 2022

County of Ventura
Planning Commission
800 S Victoria Ave
Ventura CA 93009

Re: Agenda Item 7A - Proposed Amendments to Oil and Gas Regulations (Case Numbers: PL21-0099 and PL21-0100)

Dear Chair McPhail and Commissioners:

On behalf of the undersigned organizations and their thousands of members in Ventura County, we are writing to urge the Commission to approve staff recommendations—with the recommended changes below—regarding proposed amendments to the Non-Coastal Zoning Ordinance (NZCO) and Coastal Zoning Ordinance (CZO) related to permit terms, surety, and insurance requirements for oil and gas operations.

According to the most recent state data, as of January 2022, there are 2,267 idle oil and gas wells in Ventura County, 1,520 of which are considered “long-term idle wells,” meaning that they have been idle for at least eight years. At least 1,275 of these wells have been idle for 15 or more years, and 155 wells have been idle for a century or more.

The “idle well problem” is likely to soon become an “orphan well problem” in Ventura County. Orphan wells have no financially solvent operator of record, therefore pushing the cleanup to the state and costs to the taxpayer. Since the staff report was written, [CalGEM has distributed a list](#) of potentially deserted, deserted, and orphaned wells throughout the state.

- 306 potentially deserted wells in Ventura County

- 4 deserted wells in Ventura County
- 2 orphan wells in Ventura County
- An additional 1,340 potentially deserted, deserted, or orphan wells with unknown county locations, some possibly in Ventura County

These zoning amendments and our recommendations below are an essential step toward protecting communities, holding oil and gas operators accountable, and ensuring our environment is not plagued by legacy fossil fuel infrastructure.

The impacts that these idle and orphan wells cause are clear and well-documented including surface and drinking water contamination and air pollution. Many are located near neighborhoods, schools, farms, and waterways where air and water pollution can have a disproportionate impact on low-income communities and people of color. Many others are located in or adjacent to parks, open spaces, and wildlife habitats, including the Los Padres National Forest, Sespe Condor Sanctuary, and Hopper Mountain National Wildlife Refuge, where idle wells pose threats to recreation, clean water, and rare plants and animals.

Moreover, idle and orphan wells are known to emit methane, a climate-damaging greenhouse gas. According to the [Intergovernmental Panel on Climate Change](#), oil and gas methane emissions must be reduced by at least 30% by 2030 to avert catastrophic climate change. To help reach this goal, local governments must ensure that idle wells are appropriately remediated and emissions minimized. A [recent study](#) from the Permian Basin in Texas—the world’s largest oil production basin—found that idle wells can be a “substantial source” of methane emissions. A separate [California study](#) reached a similar conclusion. Just last month, [38 idle oil wells](#) were found to be leaking methane in or near two neighborhoods in Bakersfield. One well [showed emissions](#) at a minimum of 50,000 parts per million (ppm), the maximum level the inspector’s device could record. This well had been sitting idle since 1988, a timeline similar to the other identified wells. Addressing idle wells and methane emissions is consistent with the goals and strategies set forth in the County’s General Plan for climate change and greenhouse gas emissions reduction.

While we generally support staff’s recommendations regarding the proposed amendments to the NZCO and CZO, we urge you to consider and adopt our own recommendations below.

Recommendations

1. *Based on the precedent set by the Planning Commission and amortization of capital investment (ACI) analysis, limit the permit expiration limit to 10 years and require formal consideration of a permit’s consistency with emission reduction goals and energy developments.*

The last conditional use permit (CUP) approved by the Planning Commission (February 17, 2022) was limited to 10 years; 10 years less than the operator applied for and staff

recommended.¹ Commissioners cited the growing threat of climate change and the county's commitment to reducing greenhouse gas (GHG) emissions in their discussion. The last time this CUP was up for renewal in the early 1990s, it was approved with a 25-year expiration date. Commissioners specifically noted that since then, Ventura County and society as a whole have learned significantly more about the detrimental impact fossil fuel burning and extraction has on our environment and for that reason, a reduction in time was reasonable.

These zoning amendments were directed by the Board of Supervisors in 2020. Since then, Ventura County has continued to rank the [fastest warming county](#) in the continental United States, increasing our risk and experience of extreme weather events and climate disasters. Additionally, in the last two years, the [scientific community](#) has stated "unequivocally" that human influence, largely from the burning of fossil fuels, is to blame for atmospheric warming. Based on the Planning Commission's own rationale, a further limit to 10 years is reasonable.

Additionally, the staff report shares evidence suggesting that operators can get a return on their investment on an oil permit in as little as five years. A 10-year expiration limit is sound financially and environmentally, considering the escalating crisis of climate change.

While the permit expiration limit should be set to a *maximum* of 10 years, county staff must consider current climate urgencies and the progress made toward meeting state and county emission reduction goals when considering a new permit renewal or extension. Similar to the staff report for these zoning amendments, new applications should be analyzed in terms of their consistency with the Ventura County General Plan, particularly the GHG emission reduction targets and the county's current progress toward these goals, at the time of the application.

By requiring a formal consistency analysis, planning staff can also weigh the need for a permit renewal against rapid developments in renewable energy production. Renewable energy has more than tripled in California since 2005 and the state remains ahead of the goal of achieving 100 percent clean electricity by 2045.

2. *Include limits on the number of wells and redrills allowed on a permit—establish a "one-for-one" policy.*

The county has the authority to limit the number of wells on a permit, in the case of non-antiquated permits. This limit should be formalized within the amendments and should apply to all existing active and idle wells. If the operator is given permission to drill a new well per a permit renewal, one idle well must be abandoned in order to meet the

¹ CASE NUMBER PL18-0058 – Applicant, Carbon California Operating Company, LLC at February 17, 2022 Ventura County Planning Commission Hearing

permitted limit for wells. This “one-for-one” policy will ensure old, inactive infrastructure is being cleaned up at the same rate as new development.

This type of “one-for-one” policy has proved successful in addressing the long-term idle well problem in Los Angeles. For example, a [permit renewal issued in 2014](#) by Los Angeles County required that one idle well be abandoned prior to the drilling of one new well.² The permit refers to new wells as “replacement” wells because the permit has a hard cap of 34 total wells (active and idle), as set by the county. There is also a total limit on the number of new wells that may be drilled (4) regardless of their status as replacement wells.

At the very least, this rationale should be applied to create a mechanism that requires operators to address long-term idle wells before new wells can be drilled. This would require the county to consider an operator's complete inventory of wells when considering a particular permit, rather than only those located within the permit parcel.

Additionally, it is usual for a permit to include no limit on the number of well redrills or reworks. A quick review of well records in the area reveals that reworking or redrilling can occur as often as twice a year in one well. While this fast-paced well work is unlikely to continue for years, there is no way to be sure what the level of impact open-ended permits might have on air quality, traffic, noise, water usage, or wildlife. In a recent hearing, the Planning Commission followed the “reasonable case” detailed in a staff report and limited re-drilled to one per well.³

3. *Increase the renewal application deadline to 24 months prior to the expiration of the current permit and include stipulations for late applications.*

To account for possible limited county staff capacity, sufficient CEQA review, and appeals, operators should be required to submit for renewal two years before the current permit expires. Additionally, this amendment should include detailed instructions and ramifications for applications submitted after the deadline.

4. *Increase the \$5 million maximum caps on proposed sureties to more accurately reflect the resources needed to properly abandon all wells and the financial capacity of operators.*

As noted in the staff report: Based on the existing numbers of idle wells in the County reported by CalGEM, three operators would be required to provide the \$5 million maximum Well Abandonment Surety and only one operator would be required to provide the \$5 million maximum Long-term Idle Well Supplemental Surety. If no maximum was proposed, the surety obligations (for the three largest operators) would range from

² See page 24 of [well record](#), condition 25-N

³ CASE NUMBER PL18-0058 – Applicant, Carbon California Operating Company, LLC at February 17, 2022 Ventura County Planning Commission Hearing

approximately \$21 million to approximately \$63 million. These caps essentially operate for the benefit of the largest oil producers, who are the most able to afford a higher cap and hold the most wells throughout the county.

Aera Energy LLC, a corporation jointly owned by Shell and ExxonMobil, is the largest operator in Ventura County and had [\\$2 billion in revenue in 2021](#). Without the caps, the most aggressive estimate of surety amount is only 3 percent of their annual revenue. Aera operates 485 idle wells throughout Ventura County - representing 20 percent of all idle wells in the county—in addition to 700 active wells that have the potential to become idle in the future.⁴

5. *Surface restoration and remediation should include all legacy surface infrastructure on a permit parcel and be informed and directed by local ecology and Indigenous experts.*

Currently, permits do not include the full inventory of wells on a parcel by foregoing plugged and abandoned wells. The staff report defines these wells as having been “permanently sealed and closed pursuant to regulatory standards” but should have added, “of the time of abandonment”. A [recent study](#) conducted by CFROG determined that over 40 percent of plugged wells in Ventura County cannot be confirmed as properly plugged. After reviewing all 4,000+ plugged well records, it was found that 1,629 wells were abandoned before 1953 when modern plugging standards were established, 372 wells were plugged with insufficient materials, and 391 wells had missing or incomplete abandonment documentation. While the state has dedicated funds to cleaning up orphan and idle wells, poorly abandoned wells have not received any regulatory or financial attention. A common issue noted in these well records is insufficient surface plugs or issues in the well cellar - both pieces of infrastructure at or near the surface.

Therefore, all poorly abandoned wells on a parcel should be included in the surety amount calculation and should be addressed in restoration activities.

An additional amendment to the restoration and remediation requirements (NCZO Section 8107-5.6.11 and CO Section 8175-5.7.8.) should be made to specifically recognize and require local ecology and Indigenous experts in the restoration of oil and gas permit parcel land. According to [a recent study](#), actively involving Indigenous peoples and communities in restoration efforts can (1) help in site and species selection for restoration, (2) increase local participation in restoration activities and in the monitoring and maintenance of restored areas, and (3) provide historical information on ecosystem state and management and an understanding of local successional processes.

6. *Develop a way forward for the prioritization of idle wells for closure with little support or coordination with CalGEM.*

⁴ Per CalGEM's WellSTAR data, accessed July 25, 2022

We support the staff's request that the Board consider funding and directing a commissioned professional evaluation to identify idle wells that should be prioritized for abandonment. We recommend that a plan be developed to ensure this evaluation can be successfully accomplished with little support or coordination from CalGEM, considering their limited capacity and past history with local requests.

In 2016, after assessing the regulatory responsibilities of crude oil pipelines, the [Ventura County Grand Jury](#) recommended that the Board require the development of an annual report which summarizes the state of crude oil pipelines. In 2017, the Board asked DOGGR (present-day CalGEM) to provide a follow-up report and presentation to explain how this report could be completed. It has been five years and there has been, to our knowledge, no follow-up. The county still does not know the maintenance status of the *several hundred miles* of pipelines running throughout the area.

We urge the Commission to adopt a resolution recommending that the Board of Supervisors take the actions described in the staff report and amended with our suggestions above. This is a critical juncture for the County of Ventura to take appropriate steps to ensure that current and future oil and gas operations are more adequately regulated to protect human health and the environment, especially as climate change worsens and its consequences become more pervasive.

Thank you for considering these much-needed amendments to oil and gas regulations.

Sincerely,

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