

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT
POLICIES AND PROCEDURES

Policy No.	<u>6100.031.2016</u> Div Pol Yr	Draft	<u> </u>
Supersedes No.	<u>6100.031.1993</u> Div Pol Yr	Final	<u> x </u>
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Topic:	<u>Removal of Oil and Gas Wells from Permits and I&M Programs</u>		
Distribution:	<u>Engineering Division Staff</u>		

Purpose:

This policy provides the methodology to be used in removing shut-in oil and gas wells from Santa Barbara County Air Pollution Control District (District) permits and Inspection and Maintenance Programs (including Rule 331 requirements). Annual emissions fees will not be charged for wells plugged in accordance with this policy. A shut-in well is defined as an inactive well that has not been permanently abandoned. Permanent abandonment is defined below.

This policy does not supersede any requirements of the California Division of Oil, Gas and Geothermal Resources, the Environmental Protection Agency, or any other agency that regulates the operation and abandonment of oil and gas wells. The well operator bears full financial, legal, and mechanical liability for any well work performed.

Methodology:

The following methods are approved for removing oil and gas wells from permits and Inspection and Maintenance Programs:

1. **Permanent Well Abandonment** - This procedure described in the California Code of Regulations '1723 through '1723.8, requires that, among other things, cement plugs be placed across the producing interval extending from the total depth of the well or from at least 100 feet below each oil and gas zone to at least 100 feet above the oil and gas zone or 100 feet above the top of a landed liner. Cement plugs must also be placed across the salt water-fresh water interface, and at the surface. The well casing must be cut off at least 5 feet below the ground surface and a steel plate welded to the top of the casing. All production equipment shall be removed and surface restored to grade.

Policies and Procedures Memoranda are intended to provide agency staff, applicants and the public guidance relative to standardized APCD procedures. These policies and procedures shall not be interpreted in conflict with APCD Rules and Regulations or administrative policies, and may be modified or updated periodically without advance notice.

2. **Abandonment of the Producing Interval** - This procedure is based on California Code of Regulations Section 1745.9, Temporary Abandonments. Any producing interval that is to be abandoned shall be plugged with cement as required for permanent abandonment, with a cement plug that extends at least 100 feet above the top oil and gas zone or 100 feet above the top of a landed liner. However, requirements of isolating zones behind cemented casing, plugging the annular space, surface plugging, and clearance of the location may be omitted. The well shall be securely capped or closed at the surface until operations are resumed. A working pressure gauge shall be maintained on the wellhead.
3. **Other Plugging Methods** - The District may approve other methods that utilize mechanical (cement retainers, bridge plugs, flexible rubber bladders) and/or cement plugs that effectively isolate the wellhead from the producing interval. The operator is responsible for ensuring that the alternate procedure is acceptable to the California Division of Oil and Gas. The effectiveness of such a plug shall be demonstrated through the use of a pressure gauge on the wellhead and surveys conducted with an Organic Vapor Analyzer (OVA). At the completion of the plugging, and six months after completion of the work, the operator shall survey the wellhead with an OVA to guarantee that hydrocarbons are not leaking from the wellhead.

Documentation:

Any operator that wishes to remove wells from District permit shall provide the District with a letter requesting that this change be made. A copy of the California Division of Oil, Gas and Geothermal Resources workover history that describes the plugging operation and any applicable OVA records shall accompany the letter. The District shall review the written request and determine if the work performed meets the requirements described in this policy. If the work does meet the policy requirements, changes to the permit will be made at the next regularly scheduled reevaluation of the permit.

On a quarterly basis, the operator shall read the pressure gauges on wells that have been removed from permit. The operator shall maintain a log containing the pressure readings and shall make the log available to the District on request.

Enforcement:

Wells removed from permit are subject to inspection by the District. Any unpermitted well that, when surveyed with an OVA referenced to methane, exhibits hydrocarbon emissions at concentrations of 1,000 ppm or greater is in violation of District Rule 201. Any unpermitted well that exceeds the 1,000 ppm hydrocarbon standard is subject to enforcement action by the District.

Returning Plugged Wells to Production:

Any well plugged in accordance with this policy and removed from permit by the operator will be treated as a newly drilled well when the well is returned to production. All related emissions will be treated as new potential to emit emissions and will be subject to the provisions of New Source Review (NSR). This is true whether the well is completed in the same or a new producing interval.