



State of California • Natural Resources Agency
Department of Conservation
Division of Oil, Gas, and Geothermal Resources
801 K Street • MS 18-05
Sacramento, CA 95814
(916) 445-9686 • FAX (916) 319-9533

Edmund G. Brown Jr., Governor
Kenneth A. Harris Jr., State Oil and Gas Supervisor

March 29, 2017

Mr. Rodger R. Schwecke
Vice President
Transmission and Storage
Southern California Gas Company
555 W. 5th Street, GT21C3
Los Angeles, CA 90013
RSchwecke@semprautilities.com

Dear Mr. Schwecke:

As you are aware, the Division of Oil, Gas, and Geothermal Resources (Division) requires the Southern California Gas Company (SoCalGas) to “Conduct noise log, temperature log, and positive pressure test every six months” for the wells that have been taken out of service and isolated from the gas storage reservoir in the Aliso Canyon Storage Facility. Testing on wells Standard Sesnon 25A and Standard Sesnon 25B are due this month, March 2017.

In addition, as a result of the new protocol in place at Aliso Canyon Storage Facility to detect potential problems early on, through monitoring of fluid and pressure levels, as required in Order 1109, Step 7b: subparagraph c., the Division has observed a decrease in the level of saltwater fluid in the production tubing and annulus of the SS 25A well.

The Division requests that SoCalGas further investigate and fully remediate this fluid loss.

The Division has notified the California Public Utilities Commission (CPUC) that to remain in compliance with Order 1109, SoCalGas is required to access the SS 25 well pad with appropriate personnel, equipment, and materials to conduct pressure and wireline testing. In order to fulfill this requirement, SoCalGas must file a Notice of Intent (NOI) to proceed with removing the tubing and investigating the loss of fluid.

Since SS 25, SS 25A and SS 25B are all considered to be part of the Root Cause Analysis (RCA), SoCalGas will need to coordinate the filing of the NOI with the RCA team.

Sincerely,

Kenneth A. Harris Jr.,
State Oil and Gas Supervisor
Division of Oil, Gas, and Geothermal Resources