

Communication from Public

Name: Matthew Wickersham on behalf of E&B Natural Resources
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Comments for Public Posting: Please see the attached letter.

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VIA LACouncilComment.com

January 8, 2025

Los Angeles City Council
Energy and Environment Committee
Room 340, City Hall
200 North Spring Street, Los Angeles, CA 90012

Re: Los Angeles City Council, January 10, 2025, Agenda Item No. 15, No. 24-0919.

Dear President Harris-Dawson and Councilmembers:

On behalf of E & B Natural Resources Management Corp. (“E&B”), we respectfully request that the City Council reject the recommendations regarding a further review of the Los Angeles Fire Department’s fee study and regarding a proposed draft ordinance to require the abandonment of idle wells.

As discussed in our prior letter of September 25, 2024 submitted to the Energy & Environment Committee, the City’s proposed actions would intrude into an area of regulation fully occupied by the State, particularly the California Geologic Energy Management Division (“CalGEM”). CalGEM has adopted extensive regulations regarding the management of idle wells. (See, e.g., Cal. Code Reg., tit. 14, § 1772 et seq.)

The proposed recommendation before the City Council would move forward with an ordinance that arbitrarily requires the abandonment of all wells within the City of Los Angeles that have been idle for more than a year. This ordinance would work at cross-purposes with CalGEM’s efforts to “help ensure operators are managing their aging well infrastructure, including conducting testing of idle wells to ensure they do not pose safety or well integrity concerns, and moving to plug and abandon wells that are likely no longer viable.” (CalGEM, Idle Well Program Report for 2021, at p. 6.)¹ By requiring the abandonment of all idle wells regardless of whether the wells are no longer viable, the City would be depriving operators of valuable property rights without any justification. The City would be subject to liability for the payment of just compensation for the taking of property rights. Further, by requiring the abandonment of viable wells without any showing of a safety or well integrity concern, the ordinance would only serve to reduce local oil production that is extensively regulated and subject to the Low Carbon Fuel Standard. And it

¹ Available at <https://www.conservation.ca.gov/calgem/Documents/Idle%20Well%20Program%20Report%20for%202021.pdf>.

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would encourage the import of foreign oil, which is not subject to the type of environmentally protective regulations that are imposed on in-state oil producers.

As such, we urge the Council not to move forward with the proposed recommendations.

Respectfully,

A handwritten signature in blue ink that reads "Matt Wickersham". The signature is written in a cursive, flowing style.

Matt Wickersham

Counsel for E&B Natural Resources Management Corp.