



State of California • Natural Resources Agency
Department of Conservation
Division of Oil, Gas, and Geothermal Resources
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PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
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July 19, 2018

Mr. Jimmie Cho, Senior Vice President
Mr. Rodger Schwecke, VP Storage & Transmission Gas
Operations and System Integrity
Southern California Gas Company
555 West 5th Street, GT21C3
Los Angeles, CA 90013

SUBJECT: Joint Safety and Enforcement Division and State Oil and Gas Supervisor, Division of Oil, Gas and Geothermal Resources Directive to SoCal Gas regarding casing and tubing removed from Aliso Canyon

Dear Mr. Schwecke and Mr. Cho:

For the purpose of continuing to analyze the mechanical integrity of casing and the efficacy of the regulations pertaining to mechanical integrity testing, the Safety and Enforcement Division of the California Public Utilities Commission, acting pursuant to Public Utilities Code Sections 315 and 701, along with the State Oil and Gas Supervisor, Division of Oil, Gas and Geothermal Resources (DOGGR) acting under Public Resources Code Section 3357, among others, jointly direct the Southern California Gas Company to do the following:

1. Retain extracted tubulars such as well casing, liners, downhole valves, and connections with visual evidence of significant metal loss, significant corrosion, significant erosion, any cracking or splitting, but excluding any damage from the physical handling of the tubulars such as marks from the slips and tongs. This includes tubulars which have been removed from existing wellbores since June 2015.
2. Retain extracted tubulars with evidence of greater than 20% wall thickness loss as indicated on any casing inspection log such the Caliper, MID, USIT or HRVRT log, which have been removed from existing wellbores since June 2015.
3. For tubulars described above, immediately notify all servicing parties or vendors who have removed any such casings to retain them as stored or staged and immediately notify SED and DOGGR of the location. SED and DOGGR will have 90 calendar days from notification to review the condition of the tubulars and determine if additional inspection is required.
4. Generate an itemized list of all well work involving work as noted in items 1-3 above, ranging from June 2015 to the present, including the status of the job and actively maintain the list for all typical future work.
5. Beginning today, photograph all tubulars with evidence of significant metal loss, significant corrosion, significant erosion, any cracking or splitting that is pulled from Aliso Canyon wells, and keep a collection of these photographs.
6. Notify SED and DOGGR of all SoCal Gas well work in Aliso Canyon that will remove any tubulars no less than seven days prior to such work commencing. The notification should include the field where the work is being done, the well or wells upon which the work is being performed, and a brief scope of work.


7. Follow the guideline for the viewing of the casing at Aliso Canyon issued by the DOGGR Coastal District on March 7, 2018.
8. Acknowledge your understanding of this SED Directive immediately.

Please feel free to contact Ms. Malashenko with any questions.

Sincerely,


Elizaveta Malashenko
Director-Safety and Enforcement Division, CPUC

David Gutierrez
Deputy Director, DOGGR

 7/18/18

cc:

Lee Palmer, Deputy Director – Safety and Enforcement Division
Kenneth Bruno, Program Manager – Safety and Enforcement Division
Kenneth A. Harris Jr. – State Oil and Gas Supervisor, Division of Oil, Gas &
Geothermal Resources