



Rodger R. Schwecke
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August 28, 2017

Kenneth A. Harris, Jr.
State Oil and Gas Supervisor
Division of Oil, Gas, and Geothermal Resources
801 K Street MS 18-05
Sacramento, CA 95814

Timothy Sullivan
Executive Director
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

RE: Aliso Canyon Daily Reservoir Pressure Estimates, Daily Injection and Withdrawal
Volume Measurements, and Average Daily Tubing and Annulus Pressure Measurements

Dear Messrs. Harris and Sullivan:

Pursuant to the Division of Oil, Gas, and Geothermal Resources (Division) Order No. 1118, Southern California Gas Company (SoCalGas) hereby submits daily reservoir pressure estimates, daily reservoir injection and withdrawal volume measurements, and daily wellhead tubing and annulus pressure measurements for the Aliso Canyon Gas Storage Facility (Facility) for the period beginning on August 21, 2017 and ending on August 27, 2017.

Over the course of the first two weeks of reinjection operations at Aliso Canyon, SoCalGas personnel, while observing the pressure monitoring equipment, detected a gradual buildup of pressure within the casing of 13 out of the 39 wells that were placed on injection. We have taken a measured, prudent approach and in each case, when the pressure build-up was detected, we took the wells out of service and maintained them in a safe state. We have been following our well pressure monitoring policies and procedures on all the observed wells, even though the pressure limit specified within these procedures was only reached on two wells. With respect to three of the wells, we have taken corrective action, returned two wells back into operation and expect the third well to be placed back into operation. For the other ten wells, we are further investigating to better determine the specific cause for each well. Once our investigation is complete, we will take appropriate corrective action. While we continue with our investigation, six of these ten wells have been taken out of service, plugged and filled with water, and the other four have been taken out of service and stabilized.

Throughout this process, we have followed, and continue to follow, our applicable protocols and policies, including agency notification, and we are communicating and sharing information regularly with DOGGR and the CPUC. There have been no releases of gas associated with the pressure anomalies, and even the highest monitored pressures have been a fraction of the rated capability of the casing.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Rodger R. Schwecke". The signature is written in a cursive, flowing style.

Rodger R. Schwecke
Senior Vice President
Gas Transmission and Storage

cc: Pat Abel, Division of Oil, Gas and Geothermal Resources
Alan Walker, Division of Oil, Gas and Geothermal Resources
Richard Boyd, Division of Oil, Gas, and Geothermal Resources
Philip Gibicar, Division of Oil, Gas, and Geothermal Resources
Matthewson Epuna, California Public Utilities Commission

Enclosures