



California Oil and Gas Work Group



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Purpose



The California Oil and Gas Work Group is a collaborative partnership that consists of members from the Bureau of Land Management (BLM), the California Division of Oil, Gas, and Geothermal Resources (CDOGGR), the California Regional Water Quality Control Board (CRWQCB), petroleum industry associations, and both major and independent oil companies.

The purpose of the California Oil and Gas Work Group is to promote the timely resolution of issues through the work of subcommittees and the sharing of information between agencies and industry.

The work group's specific goals are:

- To seek cooperation between agencies and industry
- To meet quarterly to share information and concerns
- To reduce duplicative or contradictory orders issued by BLM and CDOGGR
- To provide industry the opportunity to comment on new requirements before they are implemented

History

"If we didn't have this forum, there would be nowhere to sit across the table from anyone."
-- Dave Kilpatrick,
energy industry consultant

The work group first met at the Western States Petroleum Association office in Bakersfield on April 20, 1992. At that time, the government agencies were at odds with each other and often had different regulatory requirements for the same operations. There were several highly contentious issues discussed during those explosive initial meetings. However, members were committed to finding a better way of doing business.

Concerns that came out of those first meetings shaped the goals of the group and continue to guide the group's work today. Because of the dedication of its members, the work group recently celebrated its ten-year anniversary – and its well-earned accomplishments of the past decade.

What Makes It Work



Members come to the table with a willingness to communicate openly, listen to others, and spend sufficient time to develop a solution. The meetings provide an atmosphere conducive to brainstorming. As a result, trust and mutual respect develop.

Building trust takes time; members do not agree on everything, but credibility is maintained by all parties through frank discussion and reinforced with each success.

Accomplishments

Subcommittees succeeded in addressing specific issues:

“One of the worst things for industry is uncertainty. There is always a potential for chaos. The work of this group provides some certainty.”

-- Les Clark,
Independent Oil Producers
Agency

The *Drilling, Production, and Abandonment Subcommittee* dealt with differing requirements between BLM and CDOGGR.

Through meetings over two years, the subcommittee developed a consensus on the safest and most economic way to drill and abandon wells.

Another subcommittee dealt with requirements for *abandoning sumps*. With involvement from BLM, CDOGGR, CRWQCB, and industry, the subcommittee identified a step-by-step, reliable process for abandoning sumps. It has been used throughout the valley for over eight years on both private and federal oil and gas leases.

The *Idle Wells Subcommittee*, primarily composed of work group members, has provided substantial input into State regulations that provide options for operators on how to deal with their idle wells. As a result, both major and independent operators were able to live with the new regulations, and the number of idle wells in California is declining.

A standing subcommittee of the work group *plans annual conferences* to share information and promote networking. The ninth such conference was held in October 2002.

A *Memorandum of Understanding* (MOU) was signed by BLM and CDOGGR in 1996. A result of two years of hard work, the MOU clearly states the roles and responsibilities of each agency on the federal leases, thus streamlining permitting and eliminating duplication. It has increased efficiency in both agencies and continues to be improved through regular review.

Other accomplishments include:

- Requirements for venting and flaring gas
- Guidelines for alternate plugging techniques
- Major cleanup on federal leases
- Cooperation on Fish and Wildlife Service oil field overflights
- Support for BLM's leasing program
- Information seminars for operators conducted by BLM

Looking Forward

In its ten-year evolution, the work group has discovered how members can help each other develop a stronger oil economy in California and a more efficient and effective government.

The challenges facing the industry are becoming increasingly complicated. Members of the work group believe the group should continue to serve as a resource and forum to address these concerns. Commitment to the process, consistent dialog, and fresh perspectives from new participants will be needed to ensure the continuing efficacy of the group.

Through both its process and its accomplishments, the California Oil and Gas Work Group provides a model of how government and industry should work together.

