



South Coast
AQMD

Rule 1148 Series Requirements for Oil and Gas Wells



Public Workshop
September 1, 2022 – 1:00 PM

Join Zoom Webinar Meeting - from PC or Laptop

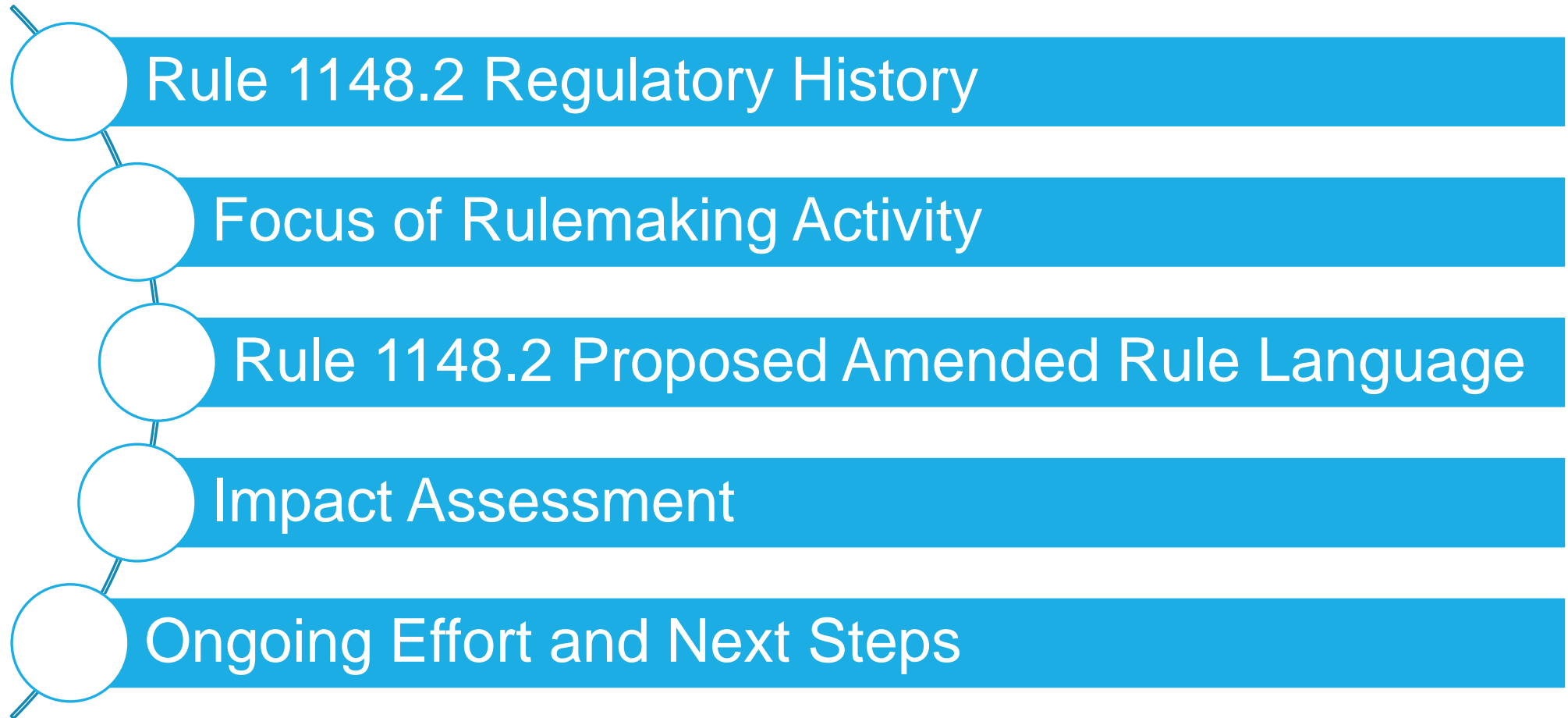
<https://scaqmd.zoom.us/j/93588296076>

Zoom Webinar ID: 935 8829 6076 (applies to all)

Teleconference Dial In +1 669 900 6833

One tap mobile +16699006833,,93588296076#

Agenda

- 
- Rule 1148.2 Regulatory History
 - Focus of Rulemaking Activity
 - Rule 1148.2 Proposed Amended Rule Language
 - Impact Assessment
 - Ongoing Effort and Next Steps



Rule 1148.2 Regulatory History

Rule 1148.2 Regulatory History



- Adopted April 5, 2013
 - Requires notification prior to drilling
 - Requires reporting of chemicals used
- Amended on September 4, 2015
 - Amendments to chemical reporting requirements
 - No longer required reporting of mass concentration within trade name product and instead require mass of each chemical ingredient

Current Rule 1148.2 Requirements

- Facilities required to notify for well activity such as drilling, well completion, or rework
- Notifications currently include:
 - Operator and Well Information
 - Nearest Sensitive Receptor within 1,500 feet of well
- Notifications are accessible online

R1148.2 (d) Notification

User Information

EForm Status	Date Stored	Time Stored
COMPLETED	03/08/2022	3:15 PM

Notification Type

Notification Type* EXTENSION Has this Previous Event ID Been superseded? **N**

Previous Event ID for Cancellation, Revision Date or Other: 7034

Operator Information

Event ID: 7038

Facility ID*: 156613

Facility Name*: CALIFORNIA RESOURCES LONG BEACH, INC

Operator Name*: CALIFORNIA RESOURCES LONG BEACH INC

Extension Information

New extended date and time for well activity to begin	Number of previously requested extensions requested under the original notification
03/09/2022 11:59:00 PM	1

Well Information

Well Name /ID* 5117	API Well Number* 04-037-03947
Well Type* OIL	Well Geographical Coordinates (NAD 83 Format)
County* LOS ANGELES	Well Latitude* 33.770796
Zip Code* 90802	Well Longitude* -118.206533
City* LONG BEACH	Start Date and Time 03/07/2022 12:00:00 AM

Description of Well Activities

Select all that apply. If conducting a series of, or any combination of well production stimulation or treatment activities, identify all types of well production stimulation or treatment activity conducted.

Please click the Add button to the right to enter Well Activities

Well Activity	
WELL REWORK	<input type="checkbox"/> Acidizing*
	<input type="checkbox"/> Hydraulic Fracturing
	<input checked="" type="checkbox"/> Gravel Packing
	<input type="checkbox"/> Maintenance Acidizing
	<input type="checkbox"/> Matrix Acidizing
	<input type="checkbox"/> Acid Fracturing
	<input type="checkbox"/> Other (Please List)

* Prior to April 2014, notifications did not distinguish between matrix and maintenance acidizing, and are reported as acidizing.

Nearest Sensitive Receptor Located within 1,500 feet of well

<input checked="" type="checkbox"/> Well Has Sensitive Receptor	Receptor Facility Name CESAR CHAVEZ SCHOOL
Receptor Type SCHOOL [K-12]	Address 730 W 3RD ST
Receptor Distance to Well in feet 1476	City LONG BEACH
	Zip Code 90802

Certification Statement

Pursuant to SCAQMD Rule 1148.2(d), this form shall be submitted to the District no more than 10 days and no less than 24 hours prior to the start of well drilling, well completion, or well rework. If the start date(s) of subject activities is modified, the owner or operator shall notify the District at least 24 hours prior to the new start date if modified to occur earlier than the original start date, or within 24 hours prior to the original start date if modified to occur after the original start date, or if the original start date is cancelled. By clicking the checkbox below, I certify that I am the duly-authorized person to submit this form. I hereby attest, to the best of my knowledge, that the information contained herein is true, accurate and complete. With regard to information that I do not have personal knowledge of, I hereby attest that I have accurately entered the information contained herein from authorized personnel who represented that the information is true, accurate and complete.

I Agree to the above Certification Statement *

<http://onbase-pub.aqmd.gov/publicaccess/DatasourceTemplate.aspx>

Purpose and Applicability

- Purpose
 - To gather air quality-related information on oil and gas well drilling, well completion, and well reworks
- Applicability
 - Applies to any operator of an onshore oil or gas well located in the District that is conducting oil or gas well drilling, well completion, or well reworks





Focus of Rulemaking Activity

Assembly Bill 617

Requires air districts to create Community Emissions Reduction Plans (CERPs) for designated communities

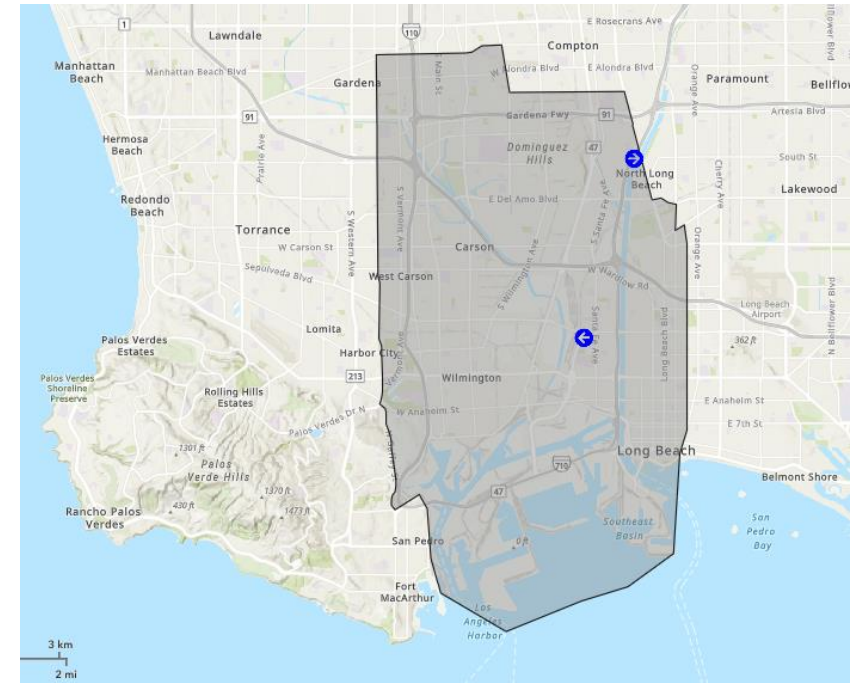
Requires strategies to reduce toxic air contaminants and criteria air pollutants in disadvantaged communities

Two Communities w/ Oil/Gas Sites

- * South Los Angeles (SLA)
- * Wilmington, Carson, & West Long Beach (WCWLB)



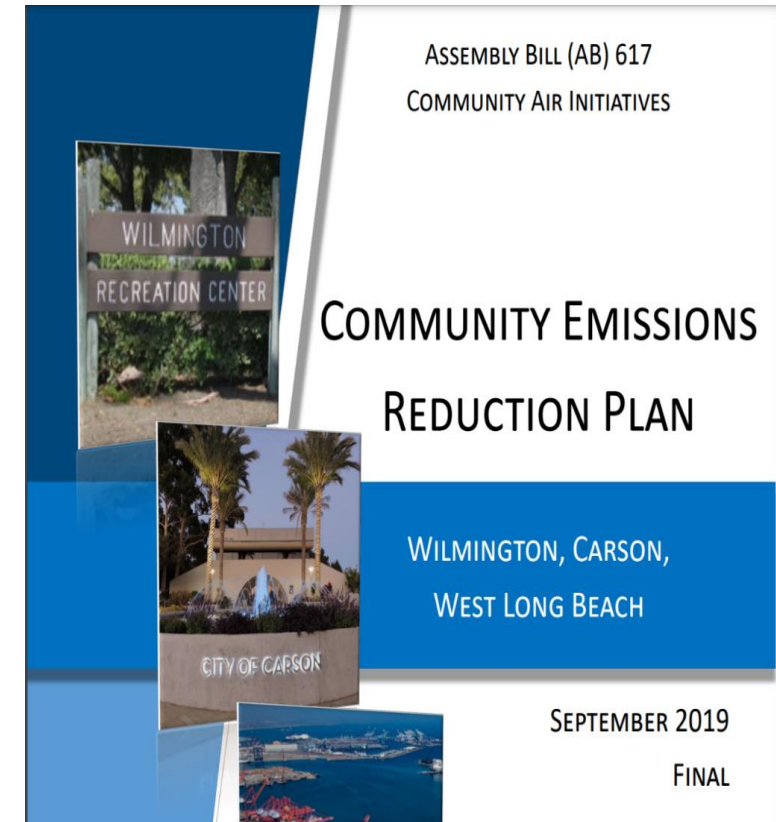
South LA



Wilmington, Carson and West Long Beach

AB617 and CERP

- AB617 Community Steering Committee (CSC) meetings held in South Los Angeles (SLA) and Wilmington, Carson, and West Long Beach (WCWLB) areas
- Communities provided input to address local concerns
- WCWLB CERP was adopted in 2019 and the SLA CERP was adopted in June 2022
- Both WCWLB and SLA identified oil and gas production emissions as an area of concern



WCWLB CERP Regarding R1148 Series

Chapter 5 - Actions to Reduce Community Air Pollution listed 4 priorities regarding oil drilling & production:

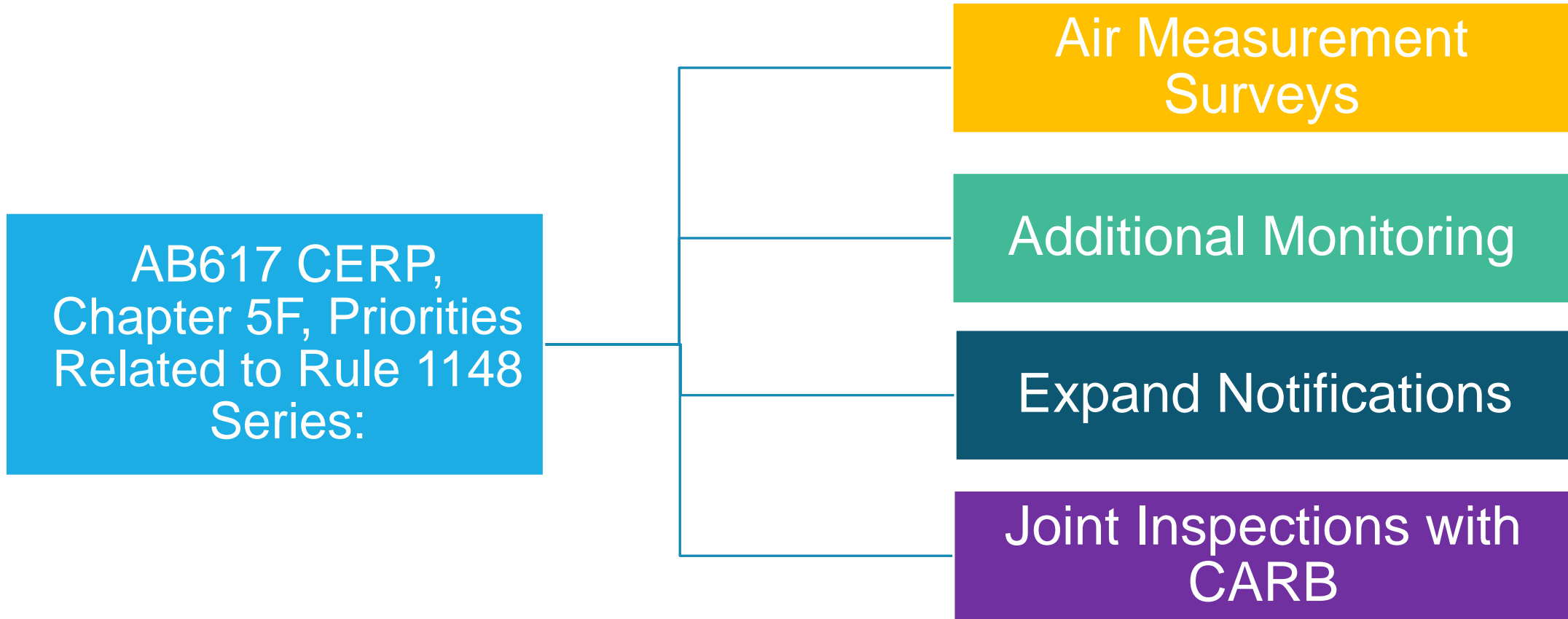
Focus near-facility air measurements & inspections to address leaks & odors from oil drilling & production

Improve public outreach & notifications

Oil production sites to submit annual reports to develop an accurate inventory of emissions & chemicals used

Require zero emission technology at drilling sites

SLA CERP Regarding R1148 Series



Proposed Amendments for Rule 1148.2

- New notifications requirements for the following activities:
 - Acidizing of injection wells
 - Use of workover rigs with diesel fueled engines
 - Require when sensitive receptors are within 1,500 feet
- Require annual report of chemicals used for well activities

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City LONG BEACH	Start Date and Time 03/07/2022 12:00:00 AM	

Recent Community Concerns

Issue	Response
Serial Extensions	Staff will consider amending number of extensions from five to three
Expand Notifications to Include Alternative Communication Tools	Staff will consider upgrade to communication system
Signage for Activity	Staff will consider additional signage requirements under Rule 1148.1

Future Rule 1148.1 Rule Concepts

- Rule 1148.1 covers reduction of VOC emissions and handling of gas and oil production sites
- Additional concerns regarding Rule 1148.1 to be addressed in future rulemaking including:
 - Monitoring
 - Zero-emission equipment
 - Odorant use
- Rule 1148.1 scheduled to be amended in 2023





Rule 1148.2 Proposed Amended Rule Language

Areas to be Addressed



- Updating applicability, purpose, and definitions
- Adding new notification requirement for well acidizing of injection wells
- Requiring within 1,500 feet from a sensitive receptor
- Adding new notification requirement for workover rigs powered by older diesel engines
- Adding an annual chemical reporting requirement

Purpose (a) and Applicability (b)

- Purpose
 - **Will be amended to state:** To gather air quality-related information on oil, gas, and injection wells for drilling, well completion, rework, and acidizing
- Applicability
 - **Will be amended to state:** Applies to any operator of an onshore oil, gas, or injection well located in the District that is conducting drilling, well completion, rework, or acidizing

Definitions (c)

Added definitions for terms including:

- ***Injection Well*** means a well used to place fluid underground into porous geologic formations.
- ***Well Maintenance Activity*** means general well servicing such as rod or tubing replacement, and other maintenance that is not already covered by another definition. Acidizing work would not be included in this definition.
- ***Workover rig*** means mobile self-propelled equipment used to perform one or more operations, such as a well maintenance activity, well completion, or rework.

Injection Well Acidizing



- New notification requirement when acidizing injection wells
- Required for acidizing work done within 1,500 feet of a sensitive receptor
- Notify no more than 10 calendar days and no less than 48 hours before start of acidizing job

Well Activity Notification Requirements (d)(1)

(d)(1)

The operator of an onshore oil or gas well that is located within 1,500 feet of a sensitive receptor shall electronically notify the Executive Officer, using a format approved by the Executive Officer, of the following information, no more than ten (10) calendar days and no less than 48 hours prior to the start of drilling, well completion, rework or acidizing of an onshore oil, gas, or injection well.

Workover Rigs

- New notification requirement for workover rigs used to conduct general maintenance of wells
- General maintenance of wells does not include acidizing work which is already subject to notification requirements
- Applicable to workover rigs not equipped with a CARB-certified Tier 4 Final diesel engine or not zero-emission (non-combustion) powered
 - Incentivize cleaner technology by not requiring notifications for engines that are Tier 4 Final or cleaner
- Notification shall be made no more than ten calendar days and no less than 24 hours prior to the operation of the workover rig(s)
 - 24 hours due to changes to general well servicing



Workover Rig Notifications Requirements (d)(6)

(d)(6)

The operator of a workover rig operating at sites within 1,500 feet of a sensitive receptor where the engine does not meet at a minimum Tier 4 – Final emissions standards of 40 CFR Part 1039 Section 1039.101 Table 1, or where the engine is not powered by a non-combustion source, shall electronically notify the Executive Officer no more than 10 calendar days and no less than 24 hours prior to the use of the workover rig on either an onshore oil or gas well, or an injection well.

Annual Report



- New requirement for an annual report
- Operators of oil and gas wells will report the name and quantity of all chemicals used on all wells for the previous calendar year
- Due by April 1st after the previous calendar year

Reporting Requirements (e)(7)

The operator of an onshore oil and gas well shall electronically report, using a format approved by the Executive Officer, the total amount of each chemical ingredient used for the previous calendar year to the Executive Officer no later than April 1st of the following calendar year.

A. For each trade name product used in the well drilling fluid, well rework fluid, well completion fluid, or acidizing of an onshore injection well, the operator shall report:

- (i) identity;
- (ii) CAS number;
- (iii) purpose; and
- (iv) total mass in pounds (lbs)

B. For each chemical ingredient used or contained in each trade name product, without associating any chemical ingredient with any specific trade name product, the operator shall report:

- (i) identity;
- (ii) CAS number
- (iii) the mass of each chemical ingredient; and
- (iv) identification of whether each chemical ingredient used or contained in the trade name product is an air toxic.

An aerial photograph showing an oil field in the foreground with several pumpjacks. In the background, a city is visible under a clear sky. The text 'Impact Assessment' is overlaid in the center of the image.

Impact Assessment

Emission Reductions, Cost-Effectiveness, and Incremental Cost-Effectiveness

- **Emission Reductions:**

- Rule 1148.2 designed as a notification and reporting tool for oil and gas related activities
- No emission reductions expected

- **Cost-Effectiveness:**


- Since no emission reductions are expected, a cost-effectiveness analysis not required
- Anticipated increase in operator labor:
 - Approximately two hours to complete an annual report
 - Approximately one hundred notifications annually due to injection well acidizing activity taking one hour to create each notification and usage information follow-up

- **Incremental Cost-Effectiveness:**

- Proposed amendment does not include new BARCT requirements so analysis for incremental cost-effectiveness not applicable

California Environmental Quality Act (CEQA)

- The proposed project (PAR 1148.2) does not have any project elements requiring physical modifications that would cause a significant adverse effect on the environment
- The proposed project is exempt from CEQA and a Notice of Exemption will be prepared pursuant to:
 - CEQA Guidelines Section 15061 (b)(3) – Common Sense Exemption, which exempts activities where it can be seen with certainty that there is no possibility that the activities may have a significant adverse effect on the environment



Ongoing Efforts and Next Steps

Next Steps for PAR 1148.2

Comments due September 15, 2022

Stationary Source Committee –
September 16, 2022

Set Public Hearing – October 7, 2022

Public Hearing – November 4, 2022

Staff Contacts

The following South Coast AQMD staff is available to assist you with any questions or comments



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