

ORDINANCE NO.

AN ORDINANCE OF THE CITY COUNCIL OF THE
CITY OF LONG BEACH AMENDING THE LONG BEACH
MUNICIPAL CODE BY ADDING CHAPTER 18.78
RELATING TO CONSTRUCTION IN THE VICINITY OF
ABANDONED OIL WELLS

The City Council of the City of Long Beach ordains as follows:

Section 1. The Long Beach Municipal Code is amended by adding
Chapter 18.78 to read as follows:

Chapter 18.78

Construction in the Vicinity of Abandoned Oil Wells

18.78.010 Applicability.

All construction activities on a privately-owned parcel or on a tract or
parcel containing an abandoned oil/gas well or wells shall meet the
requirements of this Chapter. Construction activities on a privately-owned
parcel or on a tract or parcel with active or idle wells shall comply with
Chapter 18.48 of this Code. Construction projects involving assembly
uses, caregiving facilities/hospitals, or schools such as those with an "A,"
"I," or "E" occupancy classification, as well as all "high rise" occupancy
classifications shall meet the current CALGEM standards.

18.78.020 Exemptions.

Additions or Modifications. Additions or modifications to existing
structures that are less than fifty (50) percent of the existing floor area of

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
411 W. Ocean Boulevard, 9th Floor
Long Beach, CA 90802

1 that structure, and which maintain the "Separation Rule" as defined herein
2 are exempt from the provisions of this Chapter.

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4 18.78.030 Definitions.

5 Unless otherwise expressly stated herein, the following words and
6 terms shall, for the purpose of this Chapter, have the meaning set forth in
7 this Section. Where the words or terms are not defined in this Section,
8 Chapter 18.02 of this Code shall apply.

9 A. "Applicant" means a permit applicant, developer, owner,
10 permittee, operator, or a representative of the owner who is applying for a
11 building or grading permit to construct in the vicinity of an abandoned oil/gas
12 well(s);

13 B. "Close Vicinity" means a well located within the Separation
14 Rule of an abandoned well;

15 C. "Construction Activity" means construction activity including,
16 but not limited to, grading, paving, and/or structure development;

17 D. "Geologic Energy Management Division" or "CALGEM" means
18 the state of California agency, or any successor agency, responsible for
19 overseeing the drilling, operation, maintenance, plugging or abandonment of
20 oil, natural gas, or geothermal wells;

21 E. "Development Coordinator" means the Building Official, or
22 designated representative(s) with the authority to review construction activity
23 in the vicinity of oil/gas wells;

24 F. "Operator" means any person drilling, maintaining, operating,
25 pumping, or in control of any well;

26 G. "Peer Review" means a consultant/team pre-approved by the
27 Development Coordinator that is charged with the review of oil/gas well
28 abandonment;

1 H. "Permittee" means any person or entity seeking to obtain a
2 permit from the City;

3 I. "Project Boundary" means the entire proposed construction
4 site, parcel or tract, including the entire area of each and every site, parcel,
5 or tract involved;

6 J. "Qualified Professional" means a petroleum engineer currently
7 registered in the State of California and possessing experience in oil/gas well
8 abandonment;

9 K. "Separation Rule" means providing ten (10) feet of separation
10 on two sides of the well, fifty (50) feet of separation on the third side of the
11 well, and the remaining side of the well open, with an unobstructed vertical
12 clearance for well service and rig access;

13 A well will meet the Separation Rule if it meets the above definition or
14 if the applicant can demonstrate to the Development Coordinator that the
15 proposed project will maintain appropriate and safe standard/conventional
16 rig access to the well.

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18 18.78.040 Prerequisites.

19 Applicants shall complete the following prerequisite items prior to
20 applying for a grading or building permit for construction within the project
21 boundary:

22 A. Entitlements. Obtain all of the required land use entitlements
23 of Title 21 (Zoning);

24 B. Identify all active, idle, or abandoned wells within the project
25 boundary and all offsite active, idle, or abandoned wells within one hundred
26 (100) feet of the proposed onsite structure(s);

27 C. Construction Site Well Review. Complete and submit a
28 Construction Site Well Review (CSWR) Application to CalGEM;

1 D. Well Safety Evaluation. Prepare a Well Safety Evaluation per
2 Section 18.78.050;

3 E. Leak test Inspection Request. Submit a leak test inspection
4 request to the Development Coordinator per Section 18.78.110.

5
6 18.78.050 Well Safety Evaluation Submittal requirements.

7 A well safety evaluation report shall be submitted to the Development
8 Coordinator for wells within the project boundary and off-site wells within one
9 hundred (100) feet of any proposed structure(s). The report shall include the
10 following:

11 A. Well Status Report. A Well Status Report by CALGEM, or any
12 successor agency, must be current to within the last twelve (12) months of
13 formal project submittal to Plan Check and be inclusive of all relevant well
14 work. A duplicate of the entire data package submitted to CALGEM shall
15 also be submitted to the Development Coordinator;

16 B. Well Exhibit. A Well Exhibit shall be submitted to the
17 Development Coordinator for review. The Well Exhibit shall contain all of the
18 following elements:

19 1. A Site plan that illustrates all active, idle, or abandoned
20 wells and the location and function of all existing and proposed development,
21 including, but not limited to, paved surfaces, auxiliary structures, and
22 occupied structures within the property boundary. Off-site wells within one
23 hundred (100) feet of a proposed structure shall also be shown on the site
24 plan;

25 2. For wells within the property boundary:
26 a. Diagram and description of any wells' drill rig
27 accessibility within twenty- four (24) hours of any emergency. Compliance
28 with the Separation Rule shall be clearly shown. If inaccessible within

1 twenty-four (24) hours, a detailed written plan to provide access, including
2 an approximate minimum time when access will be provided, shall also be
3 required;

4 b. Results of leak testing: Applicants shall perform leak
5 testing in accordance with Section 18.78.110;

6 C. Oil Well Assessment: An oil well assessment shall be
7 submitted for all wells not abandoned to current CalGEM, or successor
8 agency standards that are located within the project boundary and/or within
9 one hundred (100) feet of a proposed onsite structure. The oil well
10 assessment shall include:

- 11 1. A Well bore diagram for each well;
- 12 2. The Well bore diagram shall include:
 - 13 a. The Well diameter;
 - 14 b. The Casing and liner specifications and setting
15 depths;
 - 16 c. All cementing operations, including calculations of
17 cement volumes;
 - 18 d. Depths of various hydrocarbon zones and fresh-
19 saltwater interfaces; and
 - 20 e. Any other data required by the Development
21 Coordinator to analyze the current conditions of the well, including casing
22 recovery operations and the presence of debris in the well hole;

23 D. Off-site wells within one hundred (100) feet of a proposed
24 onsite structure: If information on a well is unavailable, wells shall be
25 considered active in accordance with Chapter 18.48 of the Long Beach
26 Municipal Code.

27 E. Wells inaccessible by an emergency rig within twenty-four (24)
28 hours will require further evaluation in accordance with Section 18.78.080.

1 18.78.060 Well abandonment request.

2 A. Equivalency Request. An Equivalency Standard Request shall
3 be submitted to the Development Coordinator for wells not abandoned to the
4 current CALGEM standards, and which are affected by Construction Activity.
5 The Request shall include the following:

6 1. Statement. A written statement setting forth the basis
7 for the request and substantiating any claim of impracticality or hardship, for
8 a Code modification, or a finding of equivalency to the existing Code
9 requirements for any proposed alternative materials, design, or methods of
10 abandonment or equipment utilization;

11 2. Any additional relevant information regarding the
12 property, including nearby water injection wells, faults, floodplains, tsunami
13 and/or seiche zones, landslide, or seismic consideration(s);

14 3. Leak test results in accordance with Section 18.78.120;

15 4. Long-term Safety Evaluation pursuant to Section
16 18.78.090, for any development proposing to build in close proximity to, or
17 over an abandoned well(s);

18 5. The Report shall be stamped, signed, and dated by a
19 Qualified Professional;

20 B. Review. The Development Coordinator shall have the authority
21 to approve the well(s) "as-is", impose conditions in accordance with Section
22 18.78.220; or approve the Well Abandonment Equivalency request, and
23 allow the well(s) to be abandoned in accordance with this Chapter, or deny
24 the Well Abandonment Equivalency request if the Development Coordinator
25 is not able to verify the information provided in the report;

26 C. Wells within the project boundary and unaffected by
27 Construction Activity, which are not abandoned to any approved current or
28 prior CALGEM standard, may be required to undergo review by the

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Development Coordinator. The Development Coordinator shall have the authority to approve the well(s) “as-is”, or approve alternative abandonment methods, or impose appropriate development conditions.

18.78.070 Equivalency abandonment standard.

Construction proposed over, or within close proximity to, abandoned wells shall not be permitted unless the Development Coordinator has determined that the well(s) has been abandoned in accordance with CALGEM, or any successor agency’s current abandonment standards, or to the City’s equivalency standards. Equivalency abandonment requests must be reviewed and approved in accordance with Section 18.78.060 prior to abandonment, and in accordance with the following equivalency standards:

A. A cement plug located at the depth of the last oil/gas zone produced from the well. All perforations shall be plugged with cement, and the plug shall extend at least one hundred (100) feet above the top of a landed liner, the uppermost perforations, the casing cementing point, the water shut-off holes, or the oil or gas zone, whichever is higher. If wellbore conditions prevent placement of the plug at the depth of the last zone produced from the well, approximately one hundred (100) feet of cement shall be placed inside and outside of the casing above (but as close as possible to) the last zone produced from the well, but no higher than the base of the fresh water zone;

B. A cement plug located at the depth of the base of the freshwater zone in the well. If there is cement behind the casing across the fresh-saltwater interface, a one hundred (100) foot depth cement plug shall be placed inside the casing across the interface. If the top of the cement behind the casing is below the top of the highest saltwater sands, squeeze-cementing shall be required through perforations to protect the freshwater

1 deposits. In addition, a one hundred (100) foot cement plug shall be placed
2 inside the casing across the fresh-saltwater interface;

3 C. A cement plug located at the surface. The hole and all annuli
4 shall be plugged at the surface with a cement plug extending at least fifty
5 (50) feet from the top of the cut-off well casing;

6 D. Leak Test. Leak testing shall be performed per Section
7 18.78.120;

8 E. Vent Cones. Vent cone(s) shall be installed in accordance with
9 Section 18.78.140;

10 F. Indemnity Agreement and Declaration of Covenant. The
11 Applicant/Property Owner shall submit and execute an Indemnity Agreement
12 per Section 18.78.200 and a Declaration of Covenant per Section 18.78.210
13 to the satisfaction of the City Attorney;

14 G. Upon receipt of the City's approval per Section 18.78.220, the
15 Applicant may obtain the required permit(s) in accordance with the City's
16 Building Code requirements.

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18 18.78.080 Wells not accessible.

19 A. Access. Due to the uncertainty of future conditions, Applicants
20 are encouraged to provide rig access when proposing to develop in close
21 proximity to, or over wells;

22 B. Methane Mitigation. Wells with limited or no access shall be
23 required to provide methane mitigation in accordance with Chapter 18.79 of
24 this Code for construction projects being developed in close proximity to, or
25 over wells, with no or limited rig access;

26 C. Confirmation. If the City cannot verify the well abandonment to
27 either CALGEM's current standard or the City's equivalency standard, the
28 well shall be abandoned so that the well passes the leak test and the well

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shall remain accessible for future testing and no building development shall occur in close proximity to, or over the well.

18.78.090 Long-term safety evaluation.

A. Purpose. Development projects with structures in close proximity to, or over an abandoned well, shall submit a Long-term safety evaluation;

B. Submittal. The Long-term safety evaluation shall provide a justification for any lack of rig access.

18.78.100 Above-well head mitigation.

The Applicant's Qualified Professional shall submit mitigation plans for Development Coordinator review in compliance with the City Standards for the well cone and vent system. The location of the well(s) and the associated vent piping system shall be noted on the site plan and the foundation plan, in addition to pages dedicated to the well protection system.

18.78.110 – Leak test request.

A leak test request shall be submitted to the Development Coordinator setting forth the following in accordance with Building and Safety Bulletin BU-054.

18.78.120 Leak testing. Leak testing in accordance with Building and Safety Bulletin BU-054.

18.78.130 Vent cone.

Shall be installed in accordance with Building and Safety Bulletin BU-054.

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18.78.140 Horizontal pipes.

Shall be installed in accordance with Building and Safety Bulletin BU-054.

18.78.150 Vent risers.

Vent risers shall be installed in accordance with Building and Safety Bulletin BU-054.

18.78.160 Site clean-up.

Any potential site cleanup shall be under the direction of City of Long Beach Health Officer or designee, and grading and compaction around the well head shall be per the grading permit requirements of the City.

18.78.170 Methane mitigation.

Building construction projects shall be mitigated in accordance with the requirements of Chapter 18.79 of this Code.

18.78.180 Exposure period.

A. Exposure period. If an oil well is abandoned through the City's Equivalency Standards, the associated leak testing is valid for the duration of one (1) year;

B. Significant event. A leak test shall be performed to the satisfaction of the Development Coordinator in accordance with Section 18.78.120 if the site experiences a significant event such as an earthquake, flooding, fire or other natural or manmade events;

C. Project Delay. Construction delays of more than one (1) year will require the owner/operator to perform a leak test pursuant Section 18.78.120;

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D. Speculative projects. Proposals to abandon a well in accordance with the City's equivalency process, but without a proposed development, shall be permitted in accordance with this Chapter. The Indemnity Agreement and Declaration of Covenant shall be recorded with the County Recorder's Office prior to issuance of the Well Abandonment Approval Notice.

18.78.200 Indemnity Agreement.

Upon project plan approval, the Applicant shall fully execute and record an "Indemnification for Construction in the Vicinity of Abandoned Oil Well(s)" in a format required by the City and approved by the City Attorney's Office for any wells that do not meet the current (at the time of property development) CALGEM standards for abandonment and/or maintenance accessibility or building separations.

18.78.210 Declaration of covenant.

Prior to final approval of any grading or building permit for development within the close proximity to, or over a former oil/ gas well, the permittee/applicant shall record a declaration of covenant, in a form subject to the review and approval of the City Attorney, putting future owners and occupants on notice of the following: the existence of abandoned oil wells on the site; that the wells within the site have been leak tested and found not to leak based on the date that testing was performed; an acknowledgment that CALGEM may order the re-abandonment of any well should it leak in the future; an acknowledgment that CALGEM does not recommend building over wells; and releasing and indemnifying the City and its various employees and agents for issuing project permits or granting any approvals. The covenant shall run with the land, apply to future owners or

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successors in interest , and may only be released by the City in writing. The Declaration of Covenant shall be recorded with the County Recorder's Office prior to the issuance of any permits.

18.78.220 Notice of well abandonment.

A. Well Abandonment Request and Equivalency Standard

Review. The Development Coordinator or designee, including, but not limited to, the City's Peer Review consultant, shall review the Well Safety Evaluation report and other relevant information provided by the applicant for well/s that are submitted for Well Abandonment Requests and Equivalency Standard considerations in order to determine if the well abandonment is adequate to prevent hydrocarbons from reaching the surface of the well. The determination shall be based on, at a minimum, a review of a history of all work performed on the well, and an independently constructed detailed wellbore diagram showing the current condition of the well;

B. Safety Assessment Letter. The Development Coordinator or

designee, including, but not limited to, a Peer Review Consultant, shall provide a Safety Assessment Letter based on provided relevant project documentation to determine if the well(s) abandonment complies with the equivalency abandonment standard;

C. Inspections. Field inspections for the well abandonment will be

based on receiving a final CALGEM approval letter for wells that will be abandoned to current CALGEM standards. For a well abandonment that will be submitted through the City's "Equivalency Standards", a certification letter shall be required from the projects Qualified Professional Engineer.

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18.78.230 Fees.

Well Safety Evaluation review fees consisting of peer review, well head inspection, leak test inspection, and Alternate Materials and Methods of Construction fees for oil well abandonment projects shall be paid in accordance with the latest Master Fee Resolution and City Schedule of Fees.

18.78.240 Post construction protocols.

The Owner/Applicant shall be responsible for monitoring and project maintenance.

18.78.250 Enforcement and violation.

The Building Official is hereby authorized and directed to enforce the provisions of this Chapter in accordance with Section 18.03.020.

18.78.260 Site restoration for vacated projects.

Should the developer/applicant decide not to continue site development, all excavations for any well discoveries shall be restored to their original condition prior to well discovery disturbance.

18.78.270 Adoption of administrative rules.

The City Manager, or designee, is authorized and directed to promptly adopt administrative rules, including but not limited to, Building and Safety Bulletins, supplemental to the provisions of this Ordinance as necessary or appropriate to implement the Ordinance. The provisions of this Ordinance and the rules adopted by the City Manager, or designee, shall be provided to property owners, developers, potential developers, and other interested members of the public to the widest extent practical. No person shall fail to

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comply with any such regulation as adopted.

Section 2. The City Clerk shall certify to the passage of this ordinance by the City Council and cause it to be posted in three (3) conspicuous places in the City of Long Beach, and it shall take effect on the thirty-first (31st) day after it is approved by the Mayor.

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Long Beach at its meeting of _____, 20____, by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

Recusal(s): Councilmembers: _____

City Clerk

Approved: _____
(Date)

Mayor