

COST ESTIMATE REGULATIONS FOR OIL AND GAS OPERATIONS

NOTICE OF AVAILABILITY OF MODIFIED TEXT AND DOCUMENTS ADDED TO THE RULEMAKING FILES

(Pursuant to Government Code sections 11346.8(c) and 11347.1)

PUBLIC COMMENT PERIOD COMMENCING JANUARY 2, 2024 AND ENDING JANUARY 17, 2024

Office of Administrative Law Notice File Number: Z2023-0802-01

NOTICE IS HEREBY GIVEN that the California Department of Conservation (Department) has made modifications to the text of the proposed regulations in the rulemaking action entitled *Cost Estimate Regulations for Oil and Gas Operations*. A public comment period on the originally proposed regulations was held from August 18, 2023 through October 4, 2023, pursuant to the Notice of Proposed Action mailed to interested parties and duly published in the California Regulatory Notice Register on August 18, 2023 (Register 2023, Number 33-Z, August 18, 2023).

A fifteen day public comment period on the first revised text of the regulations was held from November 27 through December 12, 2023. Due to an error in the notice for the first fifteen-day public comment period, a second fifteen-day public comment period is being held on the first revised text of the regulations.

A copy of the first revised text is enclosed. The first revised text of the proposed regulation is also available on the Department's Internet Website at: <https://www.conservation.ca.gov/index/Pages/rulemaking.aspx> or may be obtained by contacting Chris Hansen, Regulations Manager, by phone at (916) 694-7577 or by email at Christine.Hansen@conservation.ca.gov.

The revisions to the originally proposed text of the regulations will modify California Code or Regulations, title 14, proposed sections 1753, 1753.1, 1753.1.1, 1753.2, 1753.2.1, 1753.2.2, 1753.3, 1753.3.1, and 1753.3.2. The Department

considers these revisions to be sufficiently related changes as defined in California Code of Regulations, title 1, section 42.

NOTICE IS HEREBY GIVEN that the following documents are being added to the rulemaking record for the above referenced *Cost Estimate Regulations for Oil and Gas Operations* rulemaking:

1. Alpha Oil Tools, API Tubing Specifications. <https://alphaoiltools.com/wp-content/uploads/2019/01/API-Tubing.pdf>. 1996.
2. Department of Conservation, California Geologic Energy Management Division. Pipeline Dashboard showing pipeline diameters from WellSTAR (Statewide Well Tracking and Reporting Program). Last accessed Nov. 3, 2023.
3. Ernst & Young, LLP. "Financial reporting developments A comprehensive guide, Asset retirement obligations." Revised July 2023. https://www.ey.com/en_us/assurance/accountinglink/financial-reporting-developments---asset-retirement-obligations.
4. iScrap App. "Current Metal Prices, #1 Steel Scrap Price." Last accessed Nov. 3, 2023. <https://iscrapapp.com/prices/>
5. Piping Designer. "API Tank Size." Posted February 18, 2016. Last accessed Nov. 3, 2023. <https://www.piping-designer.com/index.php/disciplines/mechanical/stationary-equipment/88-tank/1527-api-tank-size>
6. Scrap Monster, "Scrap Metal Prices in California, Steel Scrap." Last accessed Nov. 3, 2023. <https://www.scrapmonster.com/scrap-yards/prices/california/state/3370>
7. The Engineering Toolbox. "ANSI Schedule 80 Steel Pipeline Dimensions." Last accessed, Nov. 3, 2023. https://www.engineeringtoolbox.com/ansi-steel-pipes-d_306.html
8. Weatherford. "Sucker Rod Specifications." 2015. Last accessed Nov. 8, 2023. <https://www.weatherford.com/documents/brochure/products-and-services/production-optimization/sucker-rods/>
9. Department of Conservation. Cost Estimate Regulations for Oil & Gas Operations, Public Hearing Presentation. October 3, 2023.

These documents are available for inspection via the Department's internet website at <http://www.conservation.ca.gov/index/Pages/rulemaking.aspx>, and may also be obtained by contacting Chris Hansen, Regulations Manager, by phone at (916) 694-7577, or by mail or email at the address listed below.

COMMENT SUBMISSION

Any person who wishes to submit comments regarding the revision to the proposed text of the regulations or regarding the documents added to the rulemaking record may do so by submitting written comments no later than **11:59 p.m. on January 17, 2024**, by email to CalGEMCostEstimates@conservation.ca.gov, or by mail to:

Department of Conservation
715 P Street, MS 1907
Sacramento, CA 95814
ATTN: Cost Estimate Regulations