California
Department of Conservation
Geologic Energy Management Division

Gavin Newsom, Governor
Jennifer Lucchesi, Director

June 3, 2026

Greg Youngblood, Agent
E & B Natural Resources Management Corporation
1608 Norris Road
Bakersfield, CA 93308
Delivered via electronic mail:
ebdoggragent@ebresources.com

RE: Indemnity Bond Determination to Acquire Marginal Wells

To Greg Youngblood:

The purpose of this letter is to inform you that the Department of Conservation, Geologic Energy Management Division ("CalGEM") has determined that if E & B Natural Resources Management Corporation were to acquire the wells listed on Attachment A, it will be required to file a bond for $324,470.00 to comply with Public Resources Code section 3205.8.

This amount is based upon CalGEM's estimation of the cost to plug and abandon the wells. A breakdown of the cost estimate is provided in Attachment B. A more detailed Excel Spreadsheet is also attached that details the Cost Estimates. While it may not change the bonding amount determined by CalGEM, E & B Natural Resources Management Corporation may submit a cost estimate to plug and abandon the wells, compiled by a third-party based on the factors listed in PRC section 3205.3(b) or the cost estimation criteria described in PRC section 3205.7(b), for consideration by CalGEM.

If you have any questions, please contact CalGEM's Enterprise Risk Unit via email at CalGEMEntRiskUnit@conservation.ca.gov.

Sincerely,

Elizabeth Yura

Elizabeth Yura
Deputy Supervisor

Attachments:
A - Well Listing and Associated Facilities
B - PRC 3205.8 Cost Estimate Breakdown
Excel Spreadsheet – E & B Natural Resources Management Corporation Workbook for Cost Estimates