



January 25, 2024

Signal Hill Disposal LLC
2755 California Avenue
Signal Hill, CA 90755
Delivered via electronic mail:
ssouth@edcodisposal.com

RE: Indemnity Bond Determination to Acquire Marginal Producing Well and Associated Facilities

Signal Hill Disposal:

The purpose of this letter is to inform you that the Department of Conservation, Geologic Energy Management Division ("CalGEM") has determined that Signal Hill Disposal LLC must file a bond in the amount of \$651,820.00 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 well and decommissioning of associated facilities listed on Attachment A, and associated site restoration for these well and facility. A breakdown of the cost estimate is provided in Attachment B.

If you have any questions related to how you can comply with the bonding requirements applicable to the Wells, please contact CalGEM's Enterprise Risk Unit, via email, at CalGEMEntRiskUnit@conservation.ca.gov.

Sincerely,

Doug Ito

Doug Ito
State Oil and Gas Supervisor

Attachments:

- A - Well Listing and Associated Facilities
- B - PRC 3205.8 Cost Estimate Breakdown