



June 10, 2024

Dori Thompson, Agent  
Thompson Oil Company, Inc.  
899 Mission Rock Road  
Santa Paula, CA 93060

Delivered via electronic mail:  
[dthompson@thompco.org](mailto:dthompson@thompco.org)

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

Dori Thompson:

The purpose of this letter is to inform you that the Department of Conservation, Geologic Energy Management Division ("CalGEM") has determined that the operator acquiring the wells and facilities listed on Attachment A, will be required to file a bond in the amount of \$151,084.00 to comply with Public Resources Code (PRC) section 3205.8.

This amount is based upon CalGEM's estimation of the cost to plug and abandon the well and site remediation. A detailed breakdown of the cost estimate is provided in the attached CalNRG Operating LLC Workbook for Cost Estimates (Attachment B). While it may not change the bonding amount determined by CalGEM, the acquiring operator may submit a cost estimate to plug and abandon the well(s) and decommissioning of applicable associated facilities, 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](mailto:CalGEMEntRiskUnit@conservation.ca.gov).

Sincerely,

*Elizabeth Yura*

LIZABETH YURA  
Deputy Supervisor

Attachments:

- A - Well Listing and Associated Facilities
- B - CalNRG Operating LLC Workbook for Cost Estimates