



# FRACTRACKER

---

## A L L I A N C E

### FOR IMMEDIATE RELEASE

January 25, 2023

CONTACT: Kyle Ferrar, Western Program Coordinator, FracTracker Alliance, 415-890-3722  
[ferrar@fractracker.org](mailto:ferrar@fractracker.org)

### **ASSESSMENT OF REWORK PERMITS ON OIL PRODUCTION FROM OPERATIONAL WELLS WITHIN THE 3,200-FOOT PUBLIC HEALTH PROTECTION ZONE**

Sacramento, Calif. – FracTracker Alliance has published a report analyzing the potential impact of eliminating oil well rework and workover operations within a 3,200-foot health protection zone on future oil production in the state of California. Oil and gas well rework and workover operations present a substantial risk to neighborhoods and nearby communities via the degradation of local and regional air quality. These operations release substantial volumes of carcinogens, air toxics and greenhouse gasses; and go unmonitored by the California Air Resources Board or local air districts.

Due to the exposure risks resulting from rework operations, both California State Bill 1137 and the emergency implementation of the rule include a ban on rework and workover operations, in addition to new drilling, within the 3,200-foot public health protection zone. While this rule will protect the health of millions of Californians, there is a concern that the rule will decrease domestic oil production volumes from California. This report therefore assessed how this new rule will impact future production in California, and made the following determinations based on California Geologic Energy Management Division permitting and production data.

- An average 1.9% of producing wells within the protection zone receive rework permits each year.
- Denying rework permits would result in an estimated 1.75% loss in annual production, statewide.
- Rates of production decline were faster for reworked wells than non-reworked wells.
- Production increases following rework operations decreased rapidly; 63.5% of reworked wells remained stripper wells, with that percentage climbing to 84.4% within three years.
- The majority of rework permits (66%) have been issued to wells in Kern County.
- The majority of wells operating within the public health protection zone are stripper wells (83%).
- Non-stripper wells were 30% more likely to be reworked than stripper wells.



# FRACTRACKER

---

## A L L I A N C E

The results of this analysis show that the policy proposed in SB 1137 of denying rework permits within the health protection zones is a common sense public health intervention that will have a minimal effect on production within the protection zone, which is a fraction (just 1.75% in 2021) of overall statewide production.

This policy will have the benefit of accelerating the process of well retirement and site remediation for high risk wells, reducing the counts of marginal wells that evade idle status. Maintaining marginal wells with extended production decline curve time frames has allowed operators to dump bad assets on shell companies. [Reports show that such wells can be neglected, resulting in leaks and air quality degradation, as well as orphaned to the state.](#) Plugging and abandoning these wells instead of granting emissions exemptions for hazardous rework operations will improve the local and regional air quality for frontline communities and reduce the orphan well burden on the state.

[Visit this link to read the full report.](#) For questions or specific data requests related to this analysis, please contact Kyle Ferrar, FracTracker Alliance Western Program Coordinator.

###