



# DEPARTMENT OF CONSERVATION

## DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES

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## NOTICE TO OPERATORS

Subject: Changes to the Public Resources Code

On January 1, 2009, legislation that was passed in 2008 (AB 1960, Nava) went into effect that amends or adds various sections of the Public Resources Code affecting DOGGR operations. AB 1960 provides DOGGR with clear statutory authority to regulate oil and gas production facilities, requires spill contingency plans, and mandates promulgation of specific facility maintenance regulations.

AB 1960 (Chapter 562, 2008) requires DOGGR to perform the following actions for all oil and gas production facilities:

- inspect for compliance
- track ownership
- track the location
- track construction, alteration, and decommissioning
- develop regulations that establish maintenance standards for production facilities
- track spill contingency plans
- promulgate regulations for life-of facility and life-of well bonding requirements

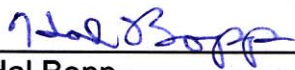
In addition, the legislation grants DOGGR the ability to:

1. Issue a cease and desist order for any production facility that is in violation of the prescribed standards.
2. Require a life-of-well or life-of-production facility bond for any operator with a history of violations or has outstanding liabilities to the State associated with well or facility operations.
3. Impose a civil penalty up to \$25,000 for each violation, which is an increase from the previous \$5,000 level.

Facility regulations, contingency plan regulations, and facility reporting requirements are currently under development. Additional announcements will be provided upon completion of regulations and as implementation of AB 1960 is developed.

Copies of AB 1960 may be downloaded from the DOGGR web site at:

[www.conservation.ca.gov/dog/Pages/Index.aspx](http://www.conservation.ca.gov/dog/Pages/Index.aspx)

  
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State Oil and Gas Supervisor