May 1, 2020

Catherine H. Reheis-Boyd, President Western State Petroleum Association 1415 L Street, #900 Sacramento, CA 95814

Dear Ms. Reheis-Boyd,

I understand that the unprecedented economic impacts associated with the COVID-19 pandemic have caused significant, unanticipated financial constraints on your members.

Strong oversight of California's oil and gas production remains at the core of CalGEM's mission to protect public health, safety, and the environment during the COVID-19 pandemic. Californians expect and deserve this oversight to continue. CalGEM also recognizes that some operators may need additional compliance assistance. Specific time-limited remedies, such as the extension of deadlines, may be warranted under clearly articulated circumstances. Operators who cannot meet an explicit regulatory requirement due to emergency government directives or a specific hardship must contact CalGEM, before falling out of compliance.

CalGEM will consider extending regulatory deadlines if:

- The operator contacts CalGEM before missing a regulatory deadline or other requirement,
- The operator requests an extension or other assistance for a specific, limited period,
- The operator demonstrates hardship caused by the COVID-19 pandemic or the government orders in response to the pandemic, and
- The operator demonstrates that the extension or other assistance will adequately protect the environment, public health, and will not increase the risk of damage to life, health, property, or natural resources.

In reviewing your April 20th letter, CalGEM will consider a one-time, two-month extension in the requirements to submit idle well management plans (IWMP) and fees provided that individual operators demonstrate that this extension will not result in environmental harm. In order to avoid cancelation of an IWMP, the operator must still eliminate the number of long-term idle wells required by statute. CalGEM will use its enforcement discretion for failure to submit a plan or fees by May 1, 2020, provided compliance is met by July 1, 2020.

This extension and case-by-case review of any individual operators' potential COVID-19 related hardships must be consistent with our responsibility to protect the environment, natural resources, and public health. CalGEM staff and I are committed to working with you and your members to meet compliance throughout this unprecedented time.

Sincerely,

Uduak-Joe Ntuk

State Oil and Gas Supervisor