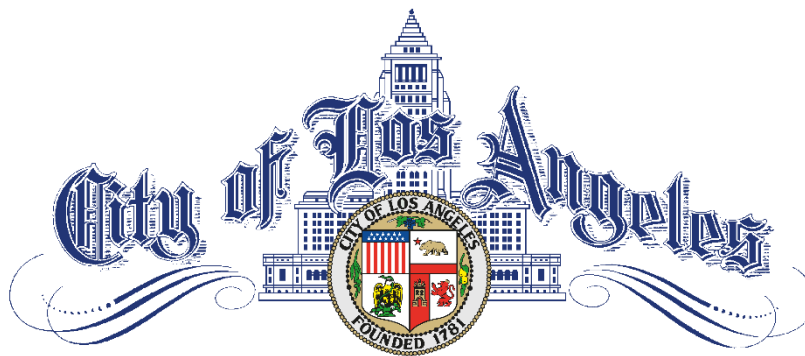




Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0008
January 6, 2026

**REQUEST FOR CLOSED SESSION PURSUANT TO
GOVERNMENT CODE SECTION 54956.9(d)(2) and (e)(5)**

REPORT RE:

**THREAT OF LITIGATION CONCERNING
ENFORCEMENT AUTHORITY TO ORDER THE PLUGGING AND
ABANDONING OF IDLE WELLS IN THE CITY OF LOS ANGELES**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 24-0919

Honorable Members:

This office recommends that discussions with, and advice from, legal counsel regarding a threat of litigation be scheduled and held in closed session pursuant to California Government Code Section 54956.9(d)(2) and (e)(5). Government Code Section 54956.9(g) requires you to state publicly prior to the closed session, what subdivision of this section authorizes the closed meeting, and that the closed session is being held to confer or discuss with, or receive advice from, legal counsel regarding the threat of litigation.

The threat of litigation concerning the City's authority to order the plugging and abandoning of idle wells is contained in a letter from M. Wickersham on behalf of E&B Natural Resources, dated January 8, 2025, attached to this report as Exhibit A. E&B Natural Resources previously sued the City over its oil ordinance (Ordinance No.

187,709) in Los Angeles Superior Court Case No. 23STCP00070. (Council File No. 24-1466.)

This Office has prepared and now transmits for your consideration, this report that concurrently responds to both the threat of litigation, and the City Council's January 21, 2025, request for information regarding how the City Council can provide direction to both the Los Angeles Fire Department (LAFD) and the Department of City Planning (Planning Department) to require that any well that has been idle for more than one year to be terminated, plugged, and abandoned. (Council File No. 24-0919.) Both the threat of litigation and City Council request concern the process for plugging and abandoning of idle wells.

This report explains that: 1) the Los Angeles Municipal Code (LAMC) currently provides the LAFD with the discretionary enforcement authority to order idle wells plugged and abandoned; and 2) the City may exercise its power under California Public Resources Code (PRC) Section 3206.5 to formally request the State make a determination whether identified idle wells within the City should be plugged and abandoned.

Authority of LAFD

The LAMC currently provides LAFD with the discretionary authority to order wells that are idle for longer than one year, to be plugged and abandoned. (LAMC §57.5706.3.16.) The LAMC provides LAFD with: 1) the authority to give written notice to an operator to abandon or reactivate an oil well that has not been in operation for a continuous period of one year; 2) the methods that must be used to plug and cap these wells once abandoned; and 3) authority to enforce regulations that make it unlawful for any permittee, owner, or any person having control or possession of any idle oil well, to fail to plug and abandon said well upon receipt of notice from the Fire Chief. (LAMC §§57.5706.3.16.1 - 57.5706.3.16.3.)

Authority of the Department of City Planning

The LAMC does not currently provide the Planning Department with authority under the LAMC to order an idle well to be plugged and abandoned. This Office is informed that Planning does not maintain any records of idle wells, does not have inspection staff to determine whether a well is idle, and has not historically had any role in ordering idle wells plugged and abandoned.

Authority Under PRC Section 3206.5

The City is empowered by PRC Section 3206.5 to request a list of idle wells located within the City's jurisdiction from the Geologic Energy Management Division of

California (CalGEM). Upon receipt of this list, the City is further empowered to identify those idle wells which the City assesses have no reasonable expectation of being reactivated. The City may then formally request that CalGEM make a determination whether those wells assessed by the City should be plugged and abandoned. CalGEM would be required to make this determination within 120 days of receipt of the City's request.

Potential Directions by City Council

The City Council may consider whether it will provide the following directions to LAFD and the Planning Department:

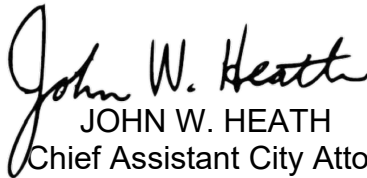
1. Request LAFD to prepare a request to CalGEM, in consultation with the Planning Department and the Petroleum Administrator, in order to identify a list of idle wells within the City pursuant to PRC Section 3206.5;
2. Request LAFD to assess the status of those wells on CalGEM's idle well list in order to determine which wells have no reasonable expectation of being reactivated, and then request a CalGEM determination whether those subsequently identified wells should be plugged and abandoned; and
3. Request LAFD to exercise its discretionary enforcement authority in the LAMC in order to determine what further City enforcement actions are feasible relative to those wells CalGEM determines should be plugged and abandoned.

City Council may note and file this report if no discussion is requested. If City Council wishes to discuss this report, it should be placed on the agenda for a closed session.

If you have any questions regarding this matter, please contact Deputy City Attorney Marvin Bonilla at (213) 574-6467, Deputy City Attorney Grant Hutchins at (213) 574-6983, or Deputy City Attorney Linda Nguyen at (310) 945-6538. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By 
JOHN W. HEATH
Chief Assistant City Attorney

JWH:GH:jr

EXHIBIT A

EXHIBIT A

Communication from Public

Name: Matthew Wickersham on behalf of E&B Natural Resources
Date Submitted: 01/08/2025 04:06 PM
Council File No: 24-0919
Comments for Public Posting: Please see the attached letter.

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Matt Wickersham

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VIA LACouncilComment.com

January 8, 2025

Los Angeles City Council
Energy and Environment Committee
Room 340, City Hall
200 North Spring Street, Los Angeles, CA 90012

Re: Los Angeles City Council, January 10, 2025, Agenda Item No. 15, No. 24-0919.

Dear President Harris-Dawson and Councilmembers:

On behalf of E & B Natural Resources Management Corp. (“E&B”), we respectfully request that the City Council reject the recommendations regarding a further review of the Los Angeles Fire Department’s fee study and regarding a proposed draft ordinance to require the abandonment of idle wells.

As discussed in our prior letter of September 25, 2024 submitted to the Energy & Environment Committee, the City’s proposed actions would intrude into an area of regulation fully occupied by the State, particularly the California Geologic Energy Management Division (“CalGEM”). CalGEM has adopted extensive regulations regarding the management of idle wells. (See, e.g., Cal. Code Reg., tit. 14, § 1772 et seq.)

The proposed recommendation before the City Council would move forward with an ordinance that arbitrarily requires the abandonment of all wells within the City of Los Angeles that have been idle for more than a year. This ordinance would work at cross-purposes with CalGEM’s efforts to “help ensure operators are managing their aging well infrastructure, including conducting testing of idle wells to ensure they do not pose safety or well integrity concerns, and moving to plug and abandon wells that are likely no longer viable.” (CalGEM, Idle Well Program Report for 2021, at p. 6.)¹ By requiring the abandonment of all idle wells regardless of whether the wells are no longer viable, the City would be depriving operators of valuable property rights without any justification. The City would be subject to liability for the payment of just compensation for the taking of property rights. Further, by requiring the abandonment of viable wells without any showing of a safety or well integrity concern, the ordinance would only serve to reduce local oil production that is extensively regulated and subject to the Low Carbon Fuel Standard. And it

¹ Available at <https://www.conservation.ca.gov/calgem/Documents/Idle%20Well%20Program%20Report%20for%202021.pdf>.

January 8, 2025

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would encourage the import of foreign oil, which is not subject to the type of environmentally protective regulations that are imposed on in-state oil producers.

As such, we urge the Council not to move forward with the proposed recommendations.

Respectfully,

A handwritten signature in blue ink that reads "Matt Wickersham". The signature is written in a cursive, flowing style.

Matt Wickersham

Counsel for E&B Natural Resources Management Corp.