

APPENDIX A: SCOPE OF DOGGR INVESTIGATION INTO WELL FAILURE AT ALISO CANYON

Scope

The Division of Oil Gas and Geothermal Resources (Division) is conducting an independent, investigation to determine the cause of the well failure of the Southern California Gas Company well Standard Sesnon 25 (API# 037-00776). The Division began its investigation of the incident at well Standard Sesnon 25 upon receipt of the initial notification by Southern California Gas Company of the well failure.

Methodology

The independent investigation is being conducted by a select group of engineers within the Division authorized during the investigation to work independently from management and the District where the incident occurred. The investigation review will include, but not be limited to, the following data to identify well failure contributing factors:

Well Records

- 1) Well records from initial drill to well failure
- 2) Cementing records and cement evaluation data
- 3) Completion records, such as, perforated zones and any well stimulation operations
- 4) Geophysical and other image logs
- 5) Records of well tests witnessed by Division staff
- 6) Mechanical integrity tests
- 7) Injection profiling, if available
- 8) Temperature surveys and other diagnostic tools
- 9) Production and injection records

Injection project approval

- 1) Approved project operating conditions
- 2) Any limiting factors or restriction in the approval
- 3) Monitoring of the project performance
- 4) Supporting geologic and engineering data for project approval
- 5) Operational review of nearby wells within the project
- 6) Review of mechanical integrity tests of nearby wells

Third Party Analyses including Root-Cause Issues

Independent third party analyses will inform the investigation and may result in the hiring of other third party contractors to conduct forensic assessments and other analyses as deemed necessary.

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Based upon analysis of the failed well and thorough evaluation of the above records and data, the Division will make findings about the cause of the well failure. In the course of the investigations, adjustments and additions to the review process may be made to ensure all relevant information and data is analyzed.

Findings

The Division will complete and publicly issue a report detailing its findings regarding the cause of the well failure.