

Last Thursday, the Newsom Administration proposed a new law allowing extensive additional oil drilling in California, as long as the new wells are in existing oil fields and the oil company closes one well in the oil field for each one drilled and one in health a safety designated areas. The proposal appears to be in response to threatened oil refinery closures in the state. In my view, there are other ways to respond to threatened refinery closures, but, having spent eight years in the Governor's office in the Brown Administration, I recognize that a legislative proposal from the Governor's office, likely supported by the oil industry, is not something that can be ignored or that is likely to be rejected out of hand.

The proposal provides a huge benefit to the oil industry - almost unlimited new wells with streamlined process - with the minimal cost of two well closures for each new well drilled.

Let's be clear. The oil industry in California has provided jobs and economic benefits, but also a legacy of environmental harm. For example, the industry has left in its wake thousands of abandoned ["orphan" wells](#) that continue to pollute the air and water, and now burden taxpayers with a hefty clean-up tab of hundreds of millions of dollars. And the industry has [polluted land and communities](#) throughout the state as part of regular operations that mint massive profits.

So, if the proposed legislation is moving forward in the last month of the legislative session, it should include much more extensive benefits for the State and communities. I've been thinking about this for a while and have spoken to a number of people with some expertise on the subject, and have fairly extensive suggestions. Meaningful benefits language could include the following:

I. Net Public Health Benefit Mandate (The "3-to-1 Rule")

For every 1 new well permitted:

1. Mandatory Well Retirement Ratio: A minimum of 3 active wells within the same census tract or disadvantaged community (as defined by CalEnviroScreen) must be:

- Permanently closed, fully plugged and abandoned, and
- Certified by CalGEM as remediated.

2. Footprint Reduction: The surface footprint of the new well(s) must be at least 50% smaller than the aggregate footprint of the wells being retired.

3. Site Restoration Requirement: All closed well sites must be restored to beneficial public use (e.g., greenspace, urban forest, community solar), based on a CalGEM-approved restoration plan developed with local input.

4. Orphan Well Offset: For each new well approved, the operator must: ■ Plug and abandon 3 orphan wells, or

■ Pay \$XXXXXX per well into the California Orphan Well Remediation Account (indexed to inflation).

II. Health, Safety, and Emission Controls

5. Stringent Health & Safety Standards: Any new well must meet:

■ SCAQMD Rule 1148.2 for air monitoring and reporting,

■ CARB's GHG and toxic emission limits under the COGR program, and

■ All BARCT-level pollution control technologies currently approved by

CARB.

6. Cumulative Impact Mitigation Plan: New well applications must include a cumulative public health risk assessment, and where risks exceed CalEPA thresholds, mitigation must be required as a condition of the permit.

III. Phaseout of Wells

7. Sunset on New Wells and Operations: New wells permitted must cease operation in 2045.

8. Transparency & Community Oversight

9. Community Benefit Agreements (CBA): Operators must enter into a legally binding CBA with impacted communities, covering:

- Local job transition plans,
- Community air and water monitoring systems,
- Public access to real-time environmental data.

9. Statewide Setback Registry: CalGEM must maintain a publicly accessible online registry of:

- All permits granted under these provisions,
- Well closure verification,
- CBA compliance audits.

1. Emergency Review & Revocation Authority
2. CalGEM Emergency Powers: If a well permitted under this framework causes documented public health harm, CalGEM may:

- Suspend or revoke the permit,
- Require immediate shutdown,
- Levy fines up to \$XXX per incident

Oh, and the Legislature should consider a companion bill that requires 5 years notice for a refinery shut down and a community transition plan.