California Legislature

Senate Committee
on
Natural Resources and Water

FRAN PAVLEY
CHAIR

Example of industry invite letter.

June 4, 2013

John S. Watson, Chairman and Chief Executive Officer
Chevron Corporation
6001 Bollinger Canyon Road
San Ramon, CA 94583, USA

RE: Invitation to participate in informational hearing on well stimulation in the oil and gas
     fields of California.

Dear Mr. Watson,

The Senate Committee on Natural Resources and Water will be holding a legislative
informational hearing on well stimulation in the oil and gas fields of California. The hearing is
tentatively scheduled for the afternoon of Tuesday, June 18, 2013. I would like to invite you and
any additional representatives of Chevron you deem necessary to participate in the hearing.
Other invitees include the California Department of Conservation, other industry and
environmental stakeholders, and a journalist.

As you know, hydraulic fracturing – or "fracking" – of oil and gas wells to enhance hydrocarbon
production is an issue of increasing visibility and public concern nationwide, as well as here in
California. Through my discussions with stakeholders, it has become apparent that hydraulic
fracturing is one of many well stimulation treatments in possibly routine use here. The purpose
of the informational hearing is to understand what these other well stimulation treatments are,
how they are currently regulated, and what information the department, as well as various
stakeholders, can provide about them.

The committee would like Chevron to provide testimony on the following:

- Information on the type and number of well stimulation treatments – including acid-based
  treatments – that Chevron has used, is using currently and plans to use in the future in
  California.
- Information on the well stimulation treatments that Chevron has used, is using currently,
  and plans to use in pursuing production from the unconventional Monterey Shale play
- Information on how well stimulation treatments are used in combination or as part of
  enhanced oil recovery projects to enhance oil and gas production in California. For

example, are acid treatments used in combination with steam flooding projects or are acid treatments used in combination with hydraulic fracturing treatments?

- What information Chevron routinely provides to state regulators specific to well stimulation treatments.
- If Chevron does not perform all well stimulation treatments itself, describe how it works with contractors to ensure that operations meet applicable regulatory and statutory requirements. Further, does Chevron receive information about the composition of all materials used in the well stimulation treatments that are inserted into the well?
- How and in what manner Chevron uses recycled water or treats water for use or re-use in well stimulation treatments and enhanced oil recovery projects. What are the economic, technical, regulatory and/or other factors that Chevron takes into consideration when designing treatments or facilities that use water and that would facilitate or inhibit the use of recycled water?

While I recognize the limited advance notice, the legislative calendar necessitates that the hearing be held soon. If possible, please provide a written response in advance of the hearing.

I greatly appreciate Chevron's assistance in this matter and appreciate the many benefits that Chevron provides to California. If you have any questions, please contact my committee staff (Katharine Moore, Senate Natural Resources and Water, 916-651-4116). I look forward to your participation in our hearing.

Sincerely,

Fran Pavley
Senator, 27th District
Chair, Senate Committee on Natural Resources and Water

cc: KC Bishop, III, Senior Consultant, State and Local Relations, Public and Government affairs, Chevron, Inc. (via email)