



ADDENDUM to NOTICE OF VIOLATION V19-0032

September 13, 2019

**Compliance ID: 11182996
V19-0032**

CERTIFIED MAIL

Mr. Nadim Hosn
Chevron USA Inc.
9525 Camino Media
Bakersfield, CA 93311

VIOLATION: SURFACE EXPRESSION

FIELD: Cymric; McPhee Lease; SEC. 36 T.29S R.21E E

DATES OF SURFACE EXPRESSIONS: September 10, 2019 and September 13, 2019

INSPECTOR: Jose Gonzalez Ortiz and Yvan Mendoza

Reference: Public Resources Code (PRC) section 3106, subdivision (a); California Code of Regulations (CCR), title 14, sections 1724.11, 1724.6, 1724.7, and 1724.10

Dear Mr. Hosn:

On August 23, 2019, Division of Oil, Gas, and Geothermal Resources (DOGGR) issued a Notice of Violation (NOV) V19-0032 under CCR section 1724.11, subdivision (a), for Gauge Setting 5 (GS-5) Separation Plant (35.355161, -119.668697). The collection of surface expressions at GS-5 are in violation of, at least, CCR section 1724.11, subdivision (a) and Chevron U.S.A. Inc. (Chevron) was required to perform Remedial Actions. We are amending the NOV V19-0032 that was sent on August 23, 2019.

On September 10, 2019 and September 13, 2019, Chevron reported two more surface expressions that occurred on the "McPhee" lease at 35.3554958, -119.6688353 and 35.355818, -119.66956 within Section 36 T29S/R21E in the Cymric Oilfield to both DOGGR and California Governor's Office of Emergency Services (CalOES) OES #19-5865 and OES #18-2037 respectively (Exhibit A). On September 11, 2019 and September 13, 2019, DOGGR staff visited both surface expressions site (Exhibit B).

All surface expressions are violations and Chevron must stop the continued flow of all expressions and work to ensure the absence of reoccurrences. As such, the Acting State Oil and Gas Supervisor requires Chevron to perform the following required actions

to begin to address the occurrence of the surface expressions at the "McPhee" lease at 35.3554958, -119.6688353 and 35.355818, -119.66956 within Section 36 T29S/R21E in the Cymric Oilfield:

1. Meet with DOGGR representatives by September 30, 2019 to present a regional perspective and a Root Cause Analysis for these expressions and how they tie to other expressions in the area.
2. Per CCR section 1724.11 subdivision (d), maintain the current 1200 foot steam block, as outlined on the original Notice of Violation sent on August 23, 2019.
3. Continue to adhere to the technical reports required letter pursuant to PRC section 3357, subdivision (b)(1) issued on September 10, 2019.

As indicated above, the occurrence of a surface expression is a violation of CCR section 1724.11, subdivision (a). In addition to any civil penalties that may issue for the occurrences of surface expressions since this prohibition went into effect on April 1, 2019, failure to follow the above requirements, and remedy the current ongoing violations, may result in an additional Notice of Violation and/or enforcement actions. Such enforcement actions could include the issuance of a civil penalty and/or a remedial work order pursuant to PRC sections 3236.5 and/or 3224, respectively.

If you have any questions, please call the District Deputy, Cameron Campbell at (661) 322-4031.

Sincerely,



Cameron D. Campbell
District Deputy, Inland District

Enclosure(s)

cc: Jason Marshall
Nikki Joslin

CERTIFIED MAIL #: 7018 0360 0000 1418 0634

Exhibit A CAL-OES Report 19-5865

Governor's Office of Emergency Services Hazardous Material Spill Update CONTROL#: 19-5865 NRC#																																		
NOTIFY DATE/TIME: 09/10/2019 / 2029		RECEIVED BY: OCURENCE DATE/TIME: 09/10/2019 19:52		CITY/OP. AREA: McKittrick/Kern County SAN JOAQUIN VALLEY UNIFIED APCD																														
L.a. PERSON NOTIFYING Cal OES: AGENCY: Chevron																																		
L.b. PERSON REPORTING SPILL (If different from above): AGENCY:																																		
SUBSTANCE TYPE: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>a. SUBSTANCE:</th> <th>b. QTY: Amount</th> <th>Measure</th> <th>c. TYPE:</th> <th>d. OTHER:</th> <th>e. PIPELINE</th> <th>f. VESSEL >= 300 Tons</th> </tr> </thead> <tbody> <tr> <td>1. Crude oil and water mixture</td> <td>0.15</td> <td>Bbl(s)</td> <td>PETROLEUM</td> <td></td> <td>No</td> <td>No</td> </tr> <tr> <td>2.</td> <td></td> <td></td> <td></td> <td></td> <td>No</td> <td>No</td> </tr> <tr> <td>3.</td> <td></td> <td></td> <td></td> <td></td> <td>Yes</td> <td>Yes</td> </tr> </tbody> </table> <p>Original Description: Caller states a seep in the dirt has been discovered in the Cymric Oil Field. 0.15 barrels of crude oil and water mixture has released at the surface. The source is unknown and the investigation is ongoing. No waterways impacted.</p>							a. SUBSTANCE:	b. QTY: Amount	Measure	c. TYPE:	d. OTHER:	e. PIPELINE	f. VESSEL >= 300 Tons	1. Crude oil and water mixture	0.15	Bbl(s)	PETROLEUM		No	No	2.					No	No	3.					Yes	Yes
a. SUBSTANCE:	b. QTY: Amount	Measure	c. TYPE:	d. OTHER:	e. PIPELINE	f. VESSEL >= 300 Tons																												
1. Crude oil and water mixture	0.15	Bbl(s)	PETROLEUM		No	No																												
2.					No	No																												
3.					Yes	Yes																												
PERSON NOTIFYING Cal OES OF SPILL UPDATE: NAME: AGENCY: Chevron PHONE#: Ext: PAG:CELL:																																		
UPDATE QUANTITY <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Amount</th> <th>Measure</th> </tr> </thead> <tbody> <tr> <td>1. 100</td> <td>Bbl(s)</td> </tr> <tr> <td>2.</td> <td></td> </tr> <tr> <td>3.</td> <td></td> </tr> <tr> <td>4.</td> <td></td> </tr> </tbody> </table>							Amount	Measure	1. 100	Bbl(s)	2.		3.		4.																			
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2.																																		
3.																																		
4.																																		
UPDATE KNOWN IMPACT: None																																		
UPDATE CAUSE:																																		
SITUATION UPDATE: UPDATE: Chevron believes that this seep is a reactivation of a previous seep reported on 01/04/2018, Control Number: 18-0051. The material released has not impacted a waterway or stream bed. Chevron does not have a final estimate of the amount released however, the amount is estimated to be a total of 100 barrels of material, 30 barrels of Crude Oil and 70 barrels of Produced Water. FAX NOTIFICATION LIST: AGENCY: STATE: REGION: US EPA, USFWS, DOI, BPA, Co/HR, Co E-RRM ADMINISTERING AGENCY: Kern Co. Environmental Health Services Department SECONDARY AGENCY: ADDITIONAL COUNTIES: ADDITIONAL ADMIN. AGENCY: DOGGR OTHER NOTIFIED: SC RWQCB Unit: CONFIRMATION REQUEST:																																		
FAX NOTIFICATION LIST: ADMINISTERING AGENCY: ADDITIONAL ADMIN. AGENCY: SECONDARY AGENCY: ADDITIONAL COUNTIES: DOG Unit: RWQCB Unit: <small>Created by: Warning Center on: 09/12/2019 02:46:21 PM Last Modified by: Warning Center on: 09/12/2019 02:53:11 PM</small>																																		

CAL-OES Report 18-2037

Governor's Office of Emergency Services Hazardous Material Spill Update CONTROL#: 18-2037 NRC#																																		
NOTIFY DATE/TIME: 03/29/2018 / 0833		RECEIVED BY: OCURENCE DATE/TIME: 03/29/2018 0800		CITY/OP. AREA: McKittrick/Kern County SAN JOAQUIN VALLEY UNIFIED APCD																														
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4.																																		
UPDATE KNOWN IMPACT:																																		
UPDATE CAUSE: Unknown																																		
SITUATION UPDATE: Chevron believes a new flow location is related to this release. The material released has not impacted a waterway or dry stream bed. Chevron does not have a final estimate of the amount released, however it is estimated a total of 50 bbls of material has released, 15 bbls of crude oil and 35 bbls of produced water. FAX NOTIFICATION LIST: AGENCY: STATE: REGION: US EPA, USFWS, DOI, LANDS, Co/HR, BPA, Co/HR, Co E-RRM, OTHER ADMINISTERING AGENCY: Kern Co. Environmental Health Services Department SECONDARY AGENCY: ADDITIONAL COUNTIES: ADDITIONAL ADMIN. AGENCY: OTHER NOTIFIED: SC RWQCB Unit: CONFIRMATION REQUEST:																																		
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Exhibit B
Location of the Surface Expression September 10, 2019



Location of the Surface Expression September 13, 2019

