



**REQUEST FOR CONFERENCE REGARDING ONGOING SURFACE EXPRESSIONS**

March 27, 2020  
Via Certified Mail

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

**SURFACE EXPRESSION**

**FIELD:** Cymric  
**LEASE:** McPhee; SEC. 36 T.29S R.21E  
**DATE:** February 28, 2020  
**INSPECTOR:** Jose Gonzales Ortiz  
**WellSTAR Compliance ID:** 12190363

**SURFACE EXPRESSION**

**FIELD:** Cymric  
**LEASE:** McPhee; SEC. 36 T.29S R.21E  
**DATE:** March 19, 2020  
**INSPECTOR:** Allan Koch  
**WellSTAR Compliance ID:** 12192278

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

Dear Mr. Hosn:

This request comes in response to two surface expressions reported by Chevron U.S.A. Inc. (Chevron) within a three-week period in the Cymric Oil Field. Both surface expressions occurred on the "McPhee" lease, within Section 36 T29S/R21E.

- On February 28, 2020, Chevron reported a surface expression that occurred at 35.356316, -119.6703575 to both the Geologic Energy Management Division (CalGEM) and California Governor's Office of Emergency Services (CalOES), OES #19-7186, which was later updated to OES # 20-1095 (Exhibit A). On February 29, 2020, CalGEM staff visited the site (Exhibit B).
- On March 19, 2020, Chevron reported a surface expression that occurred at 35.3546, -119.66862 to both CalGEM and CalOES, OES # 20-1575 (Exhibit C). On March 19, 2020, CalGEM staff visited the site (Exhibit D).

These surface expressions are each a violation of, at least, CCR section 1724.11, subdivision (a). As Chevron is already implementing a remedial injection plan to abate surface expressions on the "McPhee" lease and on other parts of the Cymric Oil Field, CalGEM would like to meet with Chevron to discuss possible modifications to the remedial plan in response to these new surface expressions.

As such, the State Oil and Gas Supervisor requires Chevron to perform the following actions to address the occurrence of the surface expressions at the "McPhee" lease within Section 36 T29S/R21E of the Cymric Oil Field:

1. Reduce gross hot water volumes in the pilot area to levels below the occurrence of the two recent surface expressions.
2. Schedule a conference with CalGEM within 7 days of the date of this letter to present a root cause analysis of the surface expressions, diagnostic testing performed, and corrective actions taken to prevent future surface expressions.
3. At the conference, be prepared to discuss delivering the following requirements:
  - Conducting new step-rate injectivity tests using hot water instead of steam.
  - Providing updated calculations indicating how water, if injected as a replacement for steam, would increase reservoir pressure.
  - Including calculations as to the volumes per well and analysis of how volumes will change across the Cymric Oil Field following water injection.
4. Per CCR section 1724.11, subdivision (d), maintain the current 1,200-foot steam block, as outlined in the Notice of Violation V19-0032 sent August 23, 2019.
5. Place prominent "Danger" or "Warnings" near (as safety dictates) the surface expressions and restrict access to the areas until the surface expressions have stopped flowing and the areas are deemed safe for reentry by a professional engineer licensed under Chapter 7 of Division 3 of the California Business and Professions Code, as per CCR section 1724.11, subdivision (i).

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

Sincerely,



Uduak-Joe Ntuk  
State Oil and Gas Supervisor

Enclosure(s)

- Exhibit A: CAL-OES Report 20-1095
- Exhibit B: Location of Surface Expression
- Exhibit C: CAL-OES Report 20-1575
- Exhibit D: Location of Surface Expression

**Exhibit A**

**CAL-OES Report 20-1095**

**Government's Office of Emergency Services  
 Hazardous Material Spill Update  
 CONTROL#: 19-7186 NRC#**

**NOTIFY DATE/TIME:** 11/08/2019 / 1411  
**RECEIVED BY:**  
**OCCURRENCE DATE/TIME:**  
 11/08/2019/1330  
**CITY/OP. AREA:**  
 McKitttrick/Kern County  
**SAN JOAQUIN VALLEY UNIFIED APCD**

**I.a. PERSON NOTIFYING CAL OES:**  
 AGENCY: Chevron

**I.b. PERSON REPORTING SPILL (If different from above):**

**AGENCY:**

**SUBSTANCE TYPE:**

**a. SUBSTANCE:**

**b. QTY. Amount**  
 23  
 3

**c. TYPE: Measure**  
 BRl(s)  
 BRl(s)

**d. OTHER:**

**e. PIPELINE**  
 No  
 No  
 No

**f. VESSEL**  
 >= 300 Tons  
 No  
 No  
 No

**Original Description:** Material discovered pooling on the soil, slow seep from underground, unknown exact source or cause, investigation in progress, RP is making a courtesy notification, RP is handling the containment and clean up.

**Update(s):** 11/11/2019 05:18:54 PM - A cumulative total to date is 1,690 barrels, 1,487 barrels of produced water, 203 barrels of crude oil  
 ; 11/12/2019 05:11:46 PM - A cumulative total is 2020 BRl(s), 1778 BRl(s) of water and 242 BRl(s) of oil  
 ; 11/13/2019 01:21:47 PM - RP states: New volumes are, water volume is 1989 bbls, oil volume is 271 bbls, for a total of 2,260 bbls.  
 ; 11/14/2019 04:00:20 PM - RP states: updated totals are 2,226 bbls of water, 304 bbls of Oil for a total of 2,530 bbls. of material.  
 ; 11/15/2019 04:05:35 PM - Total Amount is 2890 BRl(s), 2,664 Water and 536 Oil.  
 ; 11/16/2019 04:05:35 PM - RP states: water is 3080 bbls, Oil is 720 bbls, for a total of 3500 bbls of mixed material.  
 ; 11/17/2019 04:00:51 PM - RP states: water is 3143 bbls, oil is 187 bbls, for a total of 3330 bbls.  
 ; 11/20/2019 05:30:21 PM - Per RP 5599 bbls of water and 401 BRl(s) of oil for a combined total of 4400 BRl(s).  
 ; 11/21/2019 06:37:35 PM - Update to the size of the release only.  
 ; 11/22/2019 05:13:30 PM - New totals: 4,450 of Water, 559 of oil, 4,850 of total  
 ; 11/25/2019 07:43:58 PM - Called and updated the amount of release to a total of 5,180 BRl(s).  
 ; 11/26/2019 06:41:05 PM - Update to spill size totals only.  
 ; 11/27/2019 05:07:08 PM - RP states Water:5042 Barrels, Oil is 688 Barrels and total 5,750 Barrels.  
 ; 11/28/2019 04:05:35 PM - QUANTITY UPDATE: Water volume: 5,720 barrels Oil volume: 780 barrels Total volume: 6,500 barrels  
 ; 11/29/2019 06:00:20 PM - CHIEF REPORTER UPDATE: Upon possible seep surface expression per CalOems request, this appears to be a re-activation of this SPILL, 19-7186, release is inside secondary containment, no impacts to waterways or wildlife, no injuries, reactivation of the seep is still flowing at a very slow pace.

**PERSON NOTIFYING CAL OES OF SPILL UPDATE:**  
**NAME:**  
**AGENCY:**  
 Chevron

**PHONE#:**  
**EXT:**  
**PAG/CELL:**

**UPDATE QUANTITY**  
**Amount**  
 1  
 1  
 2  
 3  
 4.

**UPDATE KNOWN IMPACT:**

**UPDATE CAUSE:**

**SITUATION UPDATE:** Upon possible seep surface expression per CalOems request, this appears to be a re-activation of this SPILL, 19-7186, release is inside secondary containment, no impacts to waterways or wildlife, no injuries, reactivation of the seep is still flowing at a very slow pace.

**EXACT NOTIFICATION LIST:**

**AGENCY:**  
 Kern Co. Environmental Health Services Department

**SECONDARY AGENCY:**

**ADDITIONAL COUNTRIES:**  
**ADDITIONAL ADMIN. AGENCY:**  
**DOQ**  
**BY/DATE:**  
 SC

**Exhibit B**

**Location of the Surface Expression**



Exhibit C

CAL-OES Report 20-1575

**Governor's Office of Emergency Services  
 Hazardous Material Spill Update**

*CONTROL# 20-1575 NRCH*

<b>NOTIFY DATE/TIME:</b> 03/19/2020 / 0600	<b>RECEIVED BY:</b> 03/19/2020 0100	<b>CITY/OP. AREA:</b> McKinick Kern County SAN JOAQUIN VALLEY UNIFIED APCD
<b>1.a. PERSON NOTIFYING CAL OES:</b> AGENCY: Chevron		
<b>1.b. PERSON REPORTING SPILL (if different from above):</b> AGENCY:		
<b>2. SUBSTANCE TYPE:</b>	<b>3. QUANTITY:</b>	<b>4. MEASURE:</b>
L-Crude oil and Produced Water	20	BB(L)
<b>5. OTHER:</b>	<b>6. PIPELINE:</b>	<b>7. VESSEL:</b>
	No	>= 300 Tons No Yes No

**Original Description:** This report of a seep/surface expression is per CalOES request. At this time, Chevron does not believe the release meets objective reporting criteria. This is a courtesy call. There is not a final estimate of the amount of release. The amount of release is estimated at 20 barrels. The amount could change. Vacuum trucks are onscene conducting clean up. There was an impact to a dry stream bed. Gauge Setting 45E is the name of the seep.

**PERSON NOTIFYING CAL OES OF SPILL UPDATE:**

<b>NAME:</b>	<b>AGENCY:</b>	<b>PHONE#:</b>	<b>EXT:</b>	<b>PAG/CELL:</b>
	Chevron			

**UPDATE QUANTITY**

<b>Amount</b>	<b>Measure</b>
1. 80 Barrels of produced water	BB(L)
2. 11 Barrels of produced water	BB(L)
3. 91 Barrels total volume	BB(L)
4.	

**UPDATE KNOWN IMPACT:**

**UPDATE CAUSE:**

**SITUATION UPDATE:**  
 RP states that upon further investigation the release meets objective reporting criteria. There was 80 barrels of produced water, and 11 barrels of crude oil for a total of 91 barrels of released fluid.

**ADMINISTERING AGENCY:** Kern Co. Environmental Health Services Department  
 1500 THEODORE LEWIS, US 98A, CHEVRS, DOG LANE, BAKES & BEE, SRM, C/VP, 65 EHS

**SECONDARY AGENCY:**

**OTHER NOTIFIED:**

**RWQCB Unit:** SC

**CONFIRMATION REQUEST:**

**FAX NOTIFICATION LIST:**

**ADMINISTERING AGENCY:**

**ADDITIONAL ADMIN. AGENCY:**

**SECONDARY AGENCY:**

**ADDITIONAL COUNTIES:**

**DOG Unit:**

**RWQCB Unit:**

Created by: Warning Center on: 03/19/2020 05:53:34 PM Last Modified by: Warning Center on: 03/19/2020 06:04:08 PM  
 \*\*\*\*\*End of Form \*\*\*\*\*

**Exhibit D**

**Location of the Surface Expression**

