

1 Department of Conservation, Geologic Energy Management Division  
Uduak-Joe Ntuk  
2 STATE OIL AND GAS SUPERVISOR  
801 K Street, MS 24-03 (Legal Office)  
3 Sacramento, California 95814-3530  
Telephone (916) 323-6733  
4 Facsimile (916) 445-9916

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8 **STATE OF CALIFORNIA**  
9 **NATURAL RESOURCES AGENCY**  
10 **DEPARTMENT OF CONSERVATION**  
11 **GEOLOGIC ENERGY MANAGEMENT DIVISION**

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14 **ORDER TO RESTORE WELL SITE**  
15 **NO. 1179**

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18 **Operator: Century Oil Company (01476)**  
19 **Field: Placerita Oil Field**

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I. **Introduction**

The State Oil and Gas Supervisor (**Supervisor**), acting through the Geologic Energy Management Division (**CalGEM**), and under the authority of Division 3 of the Public Resources Code (**PRC**; commencing with PRC section 3000) and title 14 of the California Code of Regulations (**Regulations**), may order tests and remedial work concerning oil and natural gas field operations which, in his judgment, are necessary to prevent damage to life, health, property, and natural resources (See PRC sections 3106 and 3224).

Based on CalGEM's records, Century Oil Company (**Operator**) is or was an "operator" (as defined in PRC, § 3009) and is responsible (as specified in PRC, § 3224), for remedial work involving the restoration of the well site on abandoned well "Dumke Community" 1 (API 037-11734) (**the Well**). Based on information, belief, and the evidence described below, the Supervisor has determined that the Well lacks a final surface restoration. Therefore, pursuant to PRC sections 3013, 3106, 3224, and 3226, and as set forth below, the Supervisor is ordering Operator to restore the well site at the Well, consistent with all applicable requirements, including PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit or approval CalGEM may issue pursuant to PRC section 3229.

II. **Definitions**

**PRC section 3008, subdivision (a)**, defines "well" to mean, among other things, "any oil or gas well or well for the discovery of oil or gas; any well on lands producing or reasonably presumed to contain oil or gas."

**PRC section 3009** defines "operator" to mean "a person who, by virtue of ownership, or under the authority of a lease or any other agreement, has the right to drill, operate, maintain, or control a well or production facility."

**PRC section 3010** defines "production facility" to mean "any equipment attendant to oil and gas production or injection operations including, but not limited to, tanks, flowlines, headers, gathering lines, wellheads, heater treaters, pumps, valves, compressors, injection

1 equipment, and pipelines that are not under the jurisdiction of the State Fire Marshal pursuant  
2 to Section 51010 of the Government Code." (See also Regulations, § 1760, subd. (r).)

3 **III. State Oil and Gas Supervisor Authority**

4 **PRC section 3013** states that the oil and gas conservation laws (Division 3 of the PRC,  
5 commencing with § 3000) "shall be liberally construed to meet its purposes" and grants the  
6 Supervisor "all powers" that may be necessary to carry out those purposes.

7 **PRC section 3106** authorizes the Supervisor to supervise the drilling, operation,  
8 maintenance, and abandonment of oil and gas wells to "prevent, as far as possible, damage  
9 to life, health, property, and natural resources; damage to underground oil and gas deposits  
10 from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to  
11 underground and surface waters suitable for irrigation or domestic purposes by the infiltration  
12 of, or the addition of, detrimental substances."

13 **PRC section 3224** mandates that the Supervisor "order such tests or remedial work as in  
14 his judgment are necessary to prevent damage to life, health, property, and natural resources;  
15 to protect oil and gas deposits from damage by underground water; or to prevent the escape  
16 of water into underground formations, or to prevent the infiltration of detrimental substances  
17 into underground or surface water suitable for irrigation or domestic purposes, to the best  
18 interests of the neighboring property owners and the public."

19 **PRC section 3226** sets default deadlines by which operators must comply with certain  
20 types of CalGEM orders requiring work, and authorizes the Supervisor, based on a final or  
21 affirmed CalGEM order, to appoint agents who may enter the premises and perform  
22 necessary work if the operator did not timely complete the work as ordered. Any amount  
23 CalGEM expends to ensure completion of the necessary work (as well as potential penalties  
24 and interest) constitutes a lien against the operator's real or personal property according to  
25 PRC section 3423.

26 **Regulations section 1723.5** requires, among other things, "All well casing shall be cut off  
27 at least 5 feet but no more than 10 feet below the surface of the ground" and "a steel plate  
28 at least as thick as the outer well casing shall be welded around the circumference of the

1 casing at the top of the casing, after [CalGEM] approval of the surface plug. The steel plate  
2 shall show the well's identification, indicated by the last five digits of the API well number."

3 **Regulations section 1776, subdivision (a)** mandates that, in conjunction with plugging  
4 and abandonment operations, "any auxiliary holes, such as rat holes, shall be filled with earth  
5 and compacted properly; all construction materials, cellars, production pads, and piers shall  
6 be removed and the resulting excavations filled with earth and compacted properly to  
7 prevent settling; well locations shall be graded and cleared of equipment, trash, or other  
8 waste materials, and returned to as near a natural state as practicable. Well site restoration  
9 must be completed within 60 days following plugging and abandonment of the well."

10 **IV. Alleged Acts and Omissions**

11 According to CalGEM's records, the Well was improperly abandoned on August 31,  
12 1951. During inspections on or about September 20, 2016 and October 17, 2019, CalGEM staff  
13 observed the following conditions at the Well.

- 14 i. The well casing at Well is not cut off between five to 10 feet below the surface of  
15 ground level, in violation of Regulations section 1723.5.
- 16 ii. No surface restoration has been performed on the well pad, in violation of  
17 Regulations section 1776, subdivision (a).

18 **V. Operator's Required Actions**

19 For the reasons stated above, the Supervisor has determined that remedial work is  
20 necessary to prevent damage to life, health, property, and natural resources. Therefore,  
21 pursuant to PRC sections 3013, 3106, 3222, 3224, and 3226, **IT IS HEREBY ORDERED** that Operator  
22 cut the well casing off at least five feet below ground level, plate the well casing, including  
23 proper identification, and restore the well site consistent with all applicable requirements of  
24 PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724  
25 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit CalGEM may  
26 issue pursuant to PRC section 3229. Operator is ordered to complete this site restoration work  
27 **within 90 days** following the date of this Order.

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1 **VI. Operator's Appeal Rights**

2 Operator may appeal this Order by filing a timely written notice of appeal with the  
3 Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing  
4 with PRC section 3350. (PRC, §§ 3225, subd. (d), 3237, subd. (b).) If this order is mailed to you,  
5 the Director must receive the appeal within (15) days from the date the Supervisor mails the  
6 order. To file an appeal, a written notice of appeal may be sent via U.S. mail to:

7 Department of Conservation  
8 Director's Office of Appeals  
9 801 K Street, MS 24-03 (Legal Office, Chief Counsel)  
10 Sacramento, California 95814-3530

11 Or via electronic mail:

12 [CalGEMAppeals@conservation.ca.gov](mailto:CalGEMAppeals@conservation.ca.gov)

13 If Operator files a timely written notice of appeal, Operator will be informed of the  
14 appeal hearing date, time, and place. Following the hearing, Operator will receive a written  
15 decision that affirms, sets aside, or modifies the appealed order.

16 If Operator does not file a timely written notice of appeal, or if the order is affirmed  
17 following an appeal, this order will become a final order and CalGEM may contract for  
18 performance of the work, pursuant to PRC section 3226, if, within 30 days of this order,  
19 Operator has not, in good faith, commenced the work ordered. Any costs incurred by  
20 CalGEM to obtain compliance with this order (which may include penalties and interest) will  
21 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §  
22 3356.)

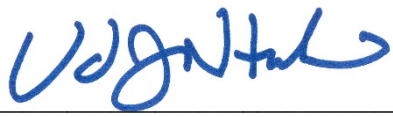
23 **VII. Other Potential Actions to Enforce This Order**

24 Failure to comply with Section V (Operator's Required Actions) of this order could  
25 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for  
26 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the  
27 oil and gas conservation laws commencing at PRC section 3000. PRC section 3236.5 authorizes  
28 the Supervisor to impose a civil penalty on a person who violates any provision in Chapter 1 of  
Division 3 of the PRC or any regulation that implements those statutes, and the Supervisor may

1 in the future impose further civil penalties based on the facts and omissions underlying this  
2 order. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an order of  
3 the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct offense.  
4 (PRC, § 3359.)

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DATED: May 14, 2020



Uduak-Joe Ntuk  
State Oil and Gas Supervisor

Service List

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Century Oil Company  
1841 E 29<sup>th</sup> St  
Long Beach, CA 90755

1 **PROOF OF SERVICE BY CERTIFIED U.S. MAIL**

2 I declare that I am employed in the County of Sacramento, California. I am over the  
3 age of 18 and not a party to the within captioned cause. My business address is 801 K Street,  
4 MS 18-05, Sacramento, California 95814. On May 14, 2020, I served the following  
5 document(s):


6 **ORDER TO RESTORE WELL SITE**  
7 **ORDER NUMBER 1179**

8 by enclosing them in an envelope and placing the envelope for collection and mailing by  
9 certified U.S. mail on the date and at the below listed address(es) following our ordinary  
10 business practices. I am readily familiar with this business's practice for collecting and  
11 processing correspondence for mailing. On the same day that correspondence is placed  
12 for collection and mailing, it is deposited in the ordinary course of business with the United  
13 States Postal Service in a sealed envelope with postage fully prepaid.

14 I served the documents on the person or persons below, as follows:

15 16 17 18 19 20 21 22 23 24 25 26 27 28	Century Oil Company 1841 E 29 <sup>th</sup> Street Long Beach, CA 90755 Certified Mail Receipt Number: 7016 1370 0000 0837 9453	
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I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on May 14, 2020, at Sacramento, CA.

  
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Rachael A. Tadlock