

1 Department of Conservation, Division of Oil, Gas, and Geothermal Resources
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8 **STATE OF CALIFORNIA**
9 **NATURAL RESOURCES AGENCY**
10 **DEPARTMENT OF CONSERVATION**
11 **DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES**

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14 **ORDER TO PLUG AND ABANDON WELL,**
15 **DECOMMISSION ATTENDANT FACILITIES,**
16 **AND RESTORE WELL SITE, NO. 1157**

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18 **Operator: Visioncraft Energy, LLC**
19 **Well: CRA Texas A.U.W.C. 1 (API: 059-05526)**

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22 **I. Introduction**

23 The State Oil and Gas Supervisor (Supervisor), acting through the Division of Oil, Gas, and
24 Geothermal Resources (Division), may order the plugging and abandonment of a well or the
25 decommissioning of a production facility that has been deserted, whether or not any damage is occurring,
26 or threatened, by reason of that deserted well. (Pub. Resources Code [PRC], § 3237, subd. (a).) Credible
27 evidence of desertion arises when the operator has failed to respond to inquiries or requests from the
28 Supervisor, when the operator has failed to comply with the requirements of the California Public

1 Resources Code or regulations implemented thereto, and other actions of the operator concerning the well
2 or production facility. (PRC, § 3237 subd. (a)(2)).

3 Based on the Division's records, Visioncraft Energy, LLC is the "operator" (Operator) (as defined
4 in PRC section 3009) (See Exhibit A, incorporated herein) and is responsible (as specified in PRC section
5 3237, subd. (c)(1)), for the plugging and abandonment of the well(s) on Exhibit A; the Well(s)), the
6 decommissioning of the attendant production facilities (the Facilities), and the restoration of the well site.
7 Herein, the Supervisor is ordering Operator to do so because the Supervisor has determined, based on
8 information, belief, and the credible evidence detailed below, that Operator has deserted the Well and
9 Facilities.

10 Therefore, pursuant to PRC sections 3106, 3226, and 3237, and as set forth below, the Supervisor
11 is ordering Operator to plug and abandon the Well, decommission the Facilities, and restore the well site
12 according to PRC sections 3208, 3228, 3229, and 3230, California Code of Regulations, title 14, sections
13 1722, 1723 through 1724.1, 1760, 1775, and 1776, (Cal. Code Regs. [Regulations], tit. 14, §§ 1722, 1723-
14 1724.1, 1760, 1775, 1776), and the conditions included in any permit/approval the Division may issue
15 pursuant to PRC section 3229.

16 **II. Definitions**

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

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

23 **Regulations section 1760, subdivision (k)**, defines "Production facility" to mean "any equipment
24 attendant to oil and gas production...including, but not limited to, tanks, flowlines, headers, gathering
25 lines, wellheads, heater treaters, pumps, valves, compressors, injection equipment, production safety
26 systems, separators, manifolds, and pipelines that are not under the jurisdiction of the State Fire Marshal
27 pursuant to Section 51010 of the Government Code, excluding fire suppressant equipment."

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1 If Operator does not file a timely written notice of appeal, this Order will become a final order and
2 the Division may contract for performance of the work, pursuant to PRC section 3226, if, within 30 days
3 of this Order, Operator has not, in good faith, commenced the work ordered. Any costs incurred by the
4 Supervisor to obtain compliance with this Order (which may include penalties and interest) will constitute
5 a lien against Operator's real or personal property per PRC section 3423.

6 If Operator submits a timely written notice of appeal, it, and interested parties, will receive notice
7 of the appeal hearing date, time, and place. Following the hearing, Operator, and interested parties, will
8 receive a written decision that affirms, sets aside, or modifies the appealed order.

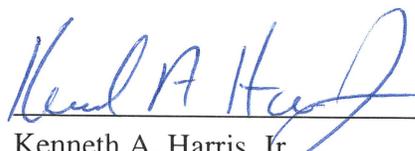
9 **VII. Other Potential Actions to Enforce This Order**

10 Failing to comply with Section VI (Operator's Required Actions) of this Order could subject
11 Operator to further enforcement action. For example, the Supervisor could deny approval of proposed
12 well operations until compliance is achieved. (PRC, § 3203, subd. (c).)

13 In addition, PRC section 3236.5 authorizes the Supervisor to impose a civil penalty of up to twenty-
14 five thousand dollars (\$25,000) per violation upon a person who violates any provision in Chapter 1 of
15 Division 3 of the PRC or any regulation that implements those statutes, and the Supervisor may in the
16 future impose a civil penalty based on the acts and omissions underlying this Order. Each day a violation
17 continues or is not cured may be treated as a separate violation.

18 Further, PRC section 3236 makes it a misdemeanor for any person who violates, fails, neglects, or
19 refuses to comply with any of the provisions of the oil and gas law (statutes and regulations). The
20 misdemeanor is punishable by a fine of not less than one hundred dollars (\$100) nor more than one
21 thousand dollars (\$1,000), or by imprisonment not exceeding six months, or by both the fine and
22 imprisonment for each separate offense. PRC section 3359 makes it a misdemeanor to fail or neglect to
23 comply with an order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and
24 distinct offense. (PRC, § 3359.)

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26 DATED: 6/20/2019


Kenneth A. Harris, Jr.
State Oil and Gas Supervisor