1	Department of Conservation, Geologic Energy Management Division Doug Ito				
2	STATE OIL AND GAS SUPERVISOR 715 P Street, MS 19-06 (Legal Office)				
3	Sacramento, California 95814 Telephone (916) 323-6733				
4	Facsimile (916) 445-9916				
5					
6					
7					
8	STATE OF CALIFORNIA				
9	NATURAL RESOURCES AGENCY				
10	DEPARTMENT OF CONSERVATION				
11	GEOLOGIC ENERGY MANAGEMENT DIVISION				
12					
13					
14	ORDER TO PAY A CIVIL PENALTY				
15	NO. 1350				
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17					
18	Operator: Emil W. Plegel (P3910)				
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Order to Pay a Civil Penalty No. 1350

I. <u>Introduction</u>

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 impose a civil penalty on a person who violates any statutory provision of the PRC, or any regulation that implements those statutory provisions. (PRC, § 3236.5)

Based on CalGEM's records, Emil W. Plegel (**Operator**) is or was an "operator" (as defined in PRC, § 3009) and is responsible for the three wells identified on **Attachment A**, incorporated herein (the **Wells**). Each of the Wells is an idle well as of April 1, 2019. Under applicable provisions of Regulations section 1772.1.4, Operator was required to file an Idle Well Testing Compliance Work Plan by June 1, 2019, and to timely comply with annual testing benchmarks for the Wells according to that Plan, and Operator has not done so. Operator's failure to timely submit an Idle Well Testing Compliance Work Plan and to comply with annual testing benchmarks according to that Plan constitute violations of Regulations sections 1772.1 and 1772.1.4. Therefore, pursuant to PRC sections 3013, 3106, 3206.1, 3224, 3236.5, 3270, and Regulations sections 1772.1 and 1772.1.4, the Supervisor is ordering Operator to bring the Wells into compliance with idle well requirements and to pay a civil penalty for each violation.

Attachment B, incorporated herein, contains a list of definitions and authorities that are applicable to this order.

II. <u>Failure to Submit an Idle Well Testing Compliance Work Plan</u>

Based on CalGEM's records, at all times relevant to this order, Operator was the operator, as defined in PRC section 3009, of the Wells. At all times relevant to this order, the Wells were idle wells as defined in PRC section 3008, subdivision (d).

As the operator of the Wells, Operator was required to submit an Idle Well Testing Compliance Work Plan for the Wells by June 1, 2019, as required by Regulations section 1772.1.4, subdivision (a), and Operator failed to do so. CalGEM issued a Notice of Violation to Operator on June 24, 2022 regarding the outstanding Plan. (Attachment C, incorporated

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herein.) As of the date of this order, Operator has not submitted an Idle Well Testing Compliance Work Plan for the Wells.

As the operator of the Wells, Operator was required to comply with annual testing benchmarks of the Wells under an Idle Well Testing Compliance Work Plan, as required by Regulations section 1772.1.4, subdivision (b), and operator failed to do so. CalGEM issued a Notice of Violation to Operator on July 28, 2022, regarding the failure to meet testing benchmarks. (Attachment D, incorporated herein.) Operator was required to complete testing on the Wells by April 1, 2022, which includes a pressure test and a clean out tag on each well. (Regulations, § 1772.1.4, subd. (b).) As of the date of this order, Operator has not remedied the outstanding violations for the three Wells which are overdue for testing.

III. <u>Civil Penalty</u>

Operator's failure to timely submit an Idle Well Testing Compliance Work Plan for the Wells by June 1, 2019 is a violation of Regulations section 1772.1.4, subdivision (a). Operator's failure to comply with required annual testing benchmarks is a violation of Regulations section 1772.1.4, subdivision (b). Operator's failure to submit the required Idle Well Testing Compliance Work Plan constitutes one violation. Operator's failure to complete the required testing on the Wells to meet the annual benchmarks for the Idle Well Testing Compliance Work Plan constitutes three separate violations, one for each well Operator failed to test.

Because of these violations, and based on consideration of relevant circumstances, consistent with PRC section 3236.5, by this order the Supervisor is imposing on Operator civil penalties totaling \$8,000. Following is an explanation of how the civil penalty amount was determined.

For purposes of this order, the Supervisor considered relevant circumstances, including: characterizing the violations as "major," "minor," or "well stimulation" (as defined in PRC section 3236.5, subdivision (b)) and setting a penalty amount proportionate to the circumstantial importance of all relevant factors, including the eight factors identified in PRC section 3236.5, subdivision (a). (PRC, § 3236.5, subd. (a).)

a. <u>Civil Penalty Calculation – Nonsubmittal of a Testing Compliance Work Plan</u>

In determining the civil penalty amount for Operator's first violation, the Supervisor determined the violation to be "minor." The statutory penalty range for a minor violation is between \$0 and \$2,500. After consideration of all relevant factors, the Supervisor determined that a balanced and effective incentive for operator compliance would be a civil penalty which includes an estimate of the cost of preparing a Testing Compliance Work Plan, with a sliding scale to account for the pervasiveness of the violation, with an increasing penalty based on the number of idle wells belonging to Operator. A careful analysis of the eight factors identified in PRC section 3236.5, subdivision (a), did not affect the Supervisor's finding that a sliding scale including the cost of compliance and increasing to reflect the number of idle wells is an effective civil penalty formula. Therefore, the Supervisor determined that it is reasonable to impose a civil penalty which is proportionate to the cost of preparing a Testing Compliance Work Plan, with an increasing penalty based on the number of idle wells in the Plan. (PRC, § 3236.5, subd. (a).)

CalGEM estimated the cost to prepare a Testing Compliance Work Plan is approximately \$500. This cost includes the administrative task of assembling the Plan, with historical operation, well status, and location information operators should already possess. To account for the pervasiveness of the violation by operators with multiple idle wells, CalGEM calculated an additional penalty that corresponds with the number of idle wells which should be included in the Plan. Working within the \$0 and \$2,500 statutory penalty range for a minor violation, CalGEM created a sliding scale that includes the cost of preparing a Plan, and increases incrementally to assess civil penalties for each operator based on the number of idle wells in the Plan. For operators with five or fewer idle wells, CalGEM established a penalty of \$500.

Based on the three idle wells belonging to Operator, CalGEM estimates that Operator gained an economic benefit of \$500 by not preparing a Testing Compliance Work Plan. As such, based on the above allegations, and with appropriate consideration of relevant factors as described in PRC section 3236.5, the Supervisor hereby imposes a civil penalty of five

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hundred dollars (\$500) for the first violation, failure to submit an Idle Well Testing Compliance Work Plan.

b. <u>Civil Penalty Calculation – Failure to Complete Testing Required to Meet Annual Testing Benchmarks Under a Testing Compliance Work Plan</u>

In determining the civil penalty amount for Operator's failure to complete the required testing on the Wells to meet the annual benchmarks for the Idle Well Testing Compliance Work Plan, the Supervisor determined each violation to be "minor." Each of the Wells that Operator failed to test constitutes a separate violation. (Regulations, § 1772.1.4, subd. (f).) The statutory penalty range for a minor violation is between \$0 and \$2,500. After consideration of all relevant factors, the Supervisor determined that a civil penalty which is roughly proportionate to the cost of performing the testing required is a balanced and effective incentive for operator compliance. A careful analysis of the eight factors identified in PRC section 3236.5, subdivision (a), did not affect the Supervisor's finding that the economic benefit from avoiding the cost of compliance is the primary consideration for determining an effective civil penalty amount. Idle wells that lack integrity have the potential to harm air quality and groundwater, in light of which the Supervisor calculated a significant risk of harm. Additionally, an economic analysis of the costs of performing a casing pressure test and clean out tag substantially exceeded the upper limit of the statutory penalty range for a minor violation. CalGEM estimated the cost to perform a casing pressure test and a clean out tag between \$2,871 and \$15,946 per well, depending on the location and condition of the well. Avoidance or deferral of this cost is a significant economic benefit to Operator. Therefore, the Supervisor determined that it is reasonable to impose a civil penalty of \$2,500 per well which is overdue for testing. (PRC, § 3236.5, subd. (a).)

Based on Operator's three idle wells which are overdue for testing as of April 1, 2022, and with appropriate consideration of relevant factors as described in PRC section 3236.5, the Supervisor hereby imposes a civil penalty totaling seven thousand five hundred dollars (\$7,500) for the three violations for failing to complete the required testing.

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Taken together, the Supervisor imposes a total civil penalty of eight thousand dollars (\$8,000).

IV. Remediation of Violations

Regulations section 1772.1.4, subdivision (f), provides that each well Operator failed to test under a Testing Compliance Work Plan is subject to the requirements of Regulations section 1772.1, subdivision (b). Regulations section 1772.1, subdivision (b), requires Operator to do one of the following within 12 months of failing to successfully complete testing on a well:

- 1) Bring the well into compliance by performing and passing a casing pressure test and, if the well has been idle for two or more years as of April 1, 2019, performing and passing a clean out tag, as directed in Regulations section 1772.1.4;
- 2) Partially plug and abandon the well in accordance with Regulations section 1752;
- 3) Plug and abandon the well in accordance with PRC section 3208; or
- 4) Schedule the well for plugging and abandonment under an approved Idle Well Management Plan or an approved Testing Waiver Plan.

Following the testing benchmarks listed in Regulations section 1772.1.4, subdivision (b), all three of the Wells were due for testing by April 1, 2022, or earlier, and, as 12 months has already passed since that date, those wells must be brought into compliance immediately. Pursuant to PRC section 3224, the Supervisor hereby orders Operator to complete this work to remedy these violations and come into compliance with Regulations sections 1772.1.4, subdivision (f), and 1772.1, subdivision (b).

V. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3206, 3206.1, 3224, and 3236.5, and Regulations sections 1772.1 and 1772.1.4, **IT IS HEREBY ORDERED** that Operator:

- 1) Pay a civil penalty totaling eight thousand dollars (\$8,000);
- Submit an Idle Well Testing Compliance Work Plan, prepared as directed in Regulations section 1772.1.4; and

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- 3) In accordance with 1772.1.4, subdivision (b)(3), and 1772.1, subdivision (f), bring the Wells into compliance by doing one of the following immediately:
 - a. Bring the well into compliance by performing and passing a casing pressure test and performing and passing a clean out tag as directed in Regulations section 1772.1.4;
 - Partially plug and abandon the well in accordance with Regulations section 1752;
 - c. Plug and abandon the well in accordance with PRC section 3208; or
 - d. Schedule the well for plugging and abandonment under an approved Idle
 Well Management Plan or an approved Testing Waiver Plan.

Operator is required to submit a Testing Compliance Work Plan and remedy the violations immediately. A continuing failure to submit a Testing Compliance Work Plan and bring the Wells into compliance with Regulations section 1772.1, subdivision (b), may subject Operator to additional civil penalties even if this order is appealed.

To remit payment of the civil penalty online, please visit

https://www.govone.com/PAYCAL/Home/SelectAgency and select "California Department of Conservation Geologic Energy Management Division," then follow the instructions on the screen.

To remit payment of the civil penalty by mail, please send a check payable to "Department of Conservation" to the following address:

Department of Conservation

CalGEM, Attn: Operational Management Unit

715 P Street, MS 1803

Sacramento, California 95814

Please include the Operator name, Order number, and phrase "Oil and Gas Environmental Remediation Account" on the check itself.

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VI. **Operator's Appeal Rights**

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

Department of Conservation

Director's Office of Appeals

715 P Street, MS 19-06 (Legal Office, Chief Counsel)

Sacramento, California 95814

Or via electronic mail:

CalGEMAppeals@conservation.ca.gov

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

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

VII. Other Potential Actions to Enforce This Order

Failure to comply with Section V (Operator's Required Actions) of this order could subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for any person who violates, fails, neglects, or refuses to comply with any of the provisions of the oil and gas conservation laws commencing at PRC section 3000. PRC section 3236.5 authorizes

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 in the future impose further civil penalties based on the facts and omissions underlying this order. PRC section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or the decommissioning of a production facility if an operator has failed to comply with an order of the Supervisor within the time provided by the order or has failed to challenge the order on a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct offense. (PRC, § 3359.)

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DATED: December 20, 2023

Douglas IVo

Doug Ito State Oil and Gas Supervisor

1	Service List
2	Emil W. Plegel 17052 Cascades Ave
3	Yorba Linda, CA 92886
4	Emil W. Plegel c/o Michelle Jara
5	127 Wilson Ave
6	Placentia, CA 92870
7	Via Email
8	Michelle Jara
9	michelleplegel@ymail.com
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Order to Pay a Civil Penalty No. 1350

Attachment A

List of Operator's Idle Wells

API Number	Well Name	Idle Start Date	Field	Outstanding Test	Due Date
0403714792	1	12/1/1987	Santa Fe Springs	Casing Pressure Test	4/1/2020
0403/14/72				Clean Out Tag	
0403714793	2	10/1/2000	Santa Fe Springs	Casing Pressure Test	4/1/2021
0403/14/73				Clean Out Tag	
0403714797	6	11/1/2000	Santa Fe Springs	Casing Pressure Test	4/1/2022
0403/14/9/				Clean Out Tag	4/1/2022

Attachment B

Definitions and Authorities

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 3008, subdivision (d), defines "idle well" to mean "any well that for a period of 24 consecutive months has not either produced oil or natural gas, produced water to be used in production stimulation, or been used for enhanced oil recovery, reservoir pressure management, or injection." ... "An idle well continues to be an idle well until it has been properly abandoned in accordance with [PRC] Section 3208 or it has been shown to the division's satisfaction that, since the well became an idle well, the well has for a continuous sixmonth period either maintained production of oil or natural gas, maintained production of water used in production stimulation, or been used for enhanced oil recovery, reservoir pressure management, or injection. An idle well does not include an active observation well."

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

State Oil and Gas Supervisor Authority

PRC section 3106 authorizes the Supervisor to supervise the drilling, operation, maintenance, and abandonment of oil and gas wells to "prevent, as far as possible, damage to life, health, property, and natural resources; damage to underground oil and gas deposits

from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to underground and surface waters suitable for irrigation or domestic purposes by the infiltration of, or the addition of, detrimental substances."

PRC section 3206.1, subdivision (e) states that failure to file or comply with the idle well testing and management requirements in CalGEM's regulations (implemented as directed by Section 3206.1) "shall be conclusive evidence of desertion of the well, permitting the supervisor to order the well abandoned pursuant to Section 3237."

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

PRC section 3226, subdivision (a), provides that "within 30 days after service of an order pursuant to Sections 3224 and 3225, or Section 3237, or if there has been an appeal from the order to the director, within 30 days after service of the decision of the director, or if a review has been taken of the order of the director, within 10 days after affirmance of the order, the owner or operator shall commence in good faith the work ordered and continue it until completion. If the work has not been commenced and continued to completion, the supervisor may appoint necessary agents to enter the premises and perform the work. An accurate account of the expenditures shall be kept. Any amount so expended shall constitute a lien against real or personal property of the operator pursuant to the provisions of Section 3423. Before performing such work, the division may impose a lien against the real or personal property of the operator pursuant to Section 3423 in an amount equal to an estimate of the cost of the work based on a bid from a contractor or previous costs to perform comparable work."

PRC section 3236.5 authorizes the Supervisor to impose a civil penalty on a person who violates any statutory provision in Chapter 1 of Division 3 of the PRC (PRC sections 3000 through

3473), or any regulation that implements those statutory provisions. Subject to the Supervisor's discretion, the penalty amount may be up to \$25,000 per violation, per day.

PRC section 3270 mandates that CalGEM prescribe by regulation minimum facility maintenance standards for all production facilities in the state.

Regulations section 1772.1, subdivision (b) provides, "In addition to any other penalty or remedial requirement imposed by the Division, within 12 months of failing to successfully complete testing under subdivisions (a)(2) or (3), or otherwise failing to comply with a requirement of this section, the operator shall do one of the following:

- (1) Bring the well into compliance;
- (2) Partially plug and abandon the well in accordance with Section 1752;
- (3) Plug and abandon the well in accordance with Public Resources Code section 3208; or
- (4) Schedule the well for plugging and abandonment under an approved Idle Well Management Plan or an approved Testing Waiver Plan.

Regulations section 1772.1.4, subdivision (a) provides, "Notwithstanding the timeframes specified in Section 1772.1(a)(2) and (a)(3), for all wells that are idle wells as of April 1, 2019, the operator shall conduct a pressure test and clean out tag as described under those subdivisions by April 1, 2025, unless the well is plugged and abandoned, partially plugged and abandoned, or scheduled for plugging and abandonment under an approved Idle Well Management Plan or Testing Waiver Plan. By June 1, 2019, the operator shall provide the Division with a Testing Compliance Work Plan that schedules completion of this testing over the six-year period in accordance with the requirements of this section."

Regulations section 1772.1.4, subdivision (b) provides, "The operator's Testing Compliance Work Plan shall schedule a pressure test and a clean out tag, as described in Section 1772.1(a)(2) and (a)(3), for each well that is an idle well as of April 1, 2019, but the Testing Compliance Work Plan shall exclude any well scheduled for plugging and abandonment under an approved Idle Well Management Plan or Testing Waiver Plan. The Testing Compliance Work Plan shall include the following required annual benchmarks:

- (1) Testing shall be completed on at least 5 percent of all of the wells covered by the Testing Compliance Work Plan by April 1, 2020.
- (2) Testing shall be completed on at least 15 percent of all of the wells covered by the Testing Compliance Work Plan by April 1, 2021.
- (3) Testing shall be completed on at least 30 percent of all of the wells covered by the Testing Compliance Work Plan by April 1, 2022.
- (4) Testing shall be completed on at least 50 percent of all of the wells covered by the Testing Compliance Work Plan by April 1, 2023.
- (5) Testing shall be completed on at least 75 percent of all of the wells covered by the Testing Compliance Work Plan by April 1, 2024.
- (6) Testing shall be completed on all of the wells covered by the Testing Compliance Work Plan by April 1, 2025.
- (7) At least one well shall be scheduled for testing in each year until initial testing is completed on all wells covered by the Testing Compliance Work Plan.

Regulations section 1772.1.4, subdivision (f) provides that "if the operator does not complete testing on the number of wells required ..., then each well that the operator failed to test constitutes a separate violation and is subject to the requirements of Section 1772.1 (b)."

Attachment C

Notice of Violation – Failure to Submit an Idle Well Testing Compliance Work Plan

NOTICE OF VIOLATION

June 24, 2022

Agent Emil W. Plegel (P3910) 17052 Cascade Yorba Linda CA, 92886

FAILURE TO SUBMIT AN IDLE WELL TESTING COMPLIANCE WORK PLAN

Dear Agent:

The California Geologic Energy Management Division (CalGEM) has reviewed its records and determined that **Emil W. Plegel** is in violation of California Code of Regulations, title 14 (CCR), section 1772.1.4 by failing to submit an Idle Well Testing Compliance Work Plan.

In accordance with CCR section 1772.1.4, every operator of an idle well was required to submit a Testing Compliance Work Plan by June 1, 2019 or within 90 days of becoming the operator of any well required to be scheduled on a Testing Compliance Work Plan. (CCR, § 1772.1.4, subds. (a) and (d).) The Testing Compliance Work Plan schedules completion of a casing pressure test and a clean out tag for each of the operator's wells that was an idle well as of April 1, 2019.

Please submit your documentation demonstrating compliance with CCR section 1772.14 to CalGEM, preferably through WellSTAR using the "Idle Well Form" or by emailing a completed form to <u>CalGEMIdleWells@conservation.ca.gov</u> by July 15, 2022. If submitting through WellSTAR, please identify the "Idle Well Form" with a "Form Description" of either "TCWP" or "Testing Compliance Work Plan." If submitting by email, please include your operator code in the subject line.

For your convenience, CalGEM has created an Excel form for the completion of the Idle Well Testing Compliance Work Plan. This form is available by contacting the Idle Well Program at CalGEMIdleWells@conservation.ca.gov.

The most recent inventory of wells required to be scheduled on the Testing Compliance Work Plan is available on the CalGEM Idle Well Program webpage at https://www.conservation.ca.gov/calgem/idle_well/Pages/idle_well.aspx

Agent, Agent Emil W. Plegel (P3910) June 24, 2022

If you believe you received this Notice of Violation in error, please email the Idle Well Program at <u>CalGEMIdleWells@conservation.ca.gov</u>, by July 8, 2022, and include the operator name and operator code in the subject line.

Failure to comply with CCR section 1772.1.4 is a violation of law, which may subject you to civil penalties. (Pub. Resources Code, § 3236.5.) In addition, failure to comply with CCR section 1772.1.4 is conclusive evidence of desertion of the well(s) for which the State Oil and Gas Supervisor may order the well(s) plugged and abandoned. (Pub. Resources Code, §§ 3206.1, subd. (e) and 3237.)

If you have any questions, please contact the Idle Well Program at CalGEMIdleWells@conservation.ca.gov.

Sincerely,

Dante Vianzon
Supervising Oil and Gas Engineer

CC:

Attachment D

Notice of Violation – Failure to Meet Annual Benchmarks for Idle Well Testing Compliance Work Plan

July 28, 2022

ATTN: Agent Emil W. Plegel, P3910 17052 Cascade Yorba Linda CA, 92886

NOTICE OF VIOLATION

FAILURE TO MEET ANNUAL BENCHMARKS FOR IDLE WELL TESTING COMPLIANCE WORK PLAN

Dear Agent:

The California Geologic Energy Management Division (CalGEM) has reviewed its records and determined that Emil W. Plegel is in violation of California Code of Regulations, title 14 (CCR), section 1772.1.4 for failing to meet the annual testing benchmarks required under its Idle Well Testing Compliance Work Plan (TCWP).

In accordance with CCR section 1772.1.4, Operators with a TCWP are required to meet the following annual testing benchmarks under its TCWP for all wells that were idle wells as of April 1, 2019:

- 1. At least five percent (5%) of all the wells covered by the TCWP by April 1, 2020.
- 2. At least fifteen percent (15%) of all the wells covered by the TCWP by April 1, 2021.
- 3. At least thirty percent (30%) of all the wells covered by the TCWP by April 1, 2022.
- 4. At least fifty percent (50%) of all the wells covered by the TCWP by April 1, 2023.
- 5. At least seventy-five percent (75%) of all the wells covered by the TCWP by April 1, 2024.
- 6. One hundred percent (100%) of all the wells covered by the TCWP by April 1, 2025
- 7. At least one well shall be scheduled for testing in each year until initial testing is completed on all wells covered by the TCWP.

Each well that failed to be tested constitutes a separate violation, (CCR, § 1772.1.4, subd. (f).) Please see enclosure for each well in violation of CCR section 1772.1.4.

Because of the failure to successfully complete the testing required under CCR section 1772.1.4, each well is now subject to the requirements of CCR section 1772.1, subdivision (b). Within 12 months of the date by which Operators are required to conduct the testing for each of the well(s) listed in the enclosure the Operator must:

Emil W. Plegel (P3910) July 28, 2022

- 1. Bring the well into compliance;
- 2. Partially plug and abandon the well in accordance with CCR section 1752;
- 3. Plug and abandon the well in accordance with Public Resources Code section 3208; or
- 4. Schedule the well for plugging and abandonment under an approved Idle Well Management Plan or an approved Testing Waiver Plan.

To avoid further enforcement action, ensure that the cumulative benchmarks of 50% of all wells listed on the TCWP are tested, partially plugged in accordance with CCR section 1752, or plugged and abandoned by April 1, 2023. Wells scheduled for plugging and abandonment on an approved Idle Well Management Plan or an approved Testing Waiver Plan are not required to be scheduled on a TCWP.

If you believe you received this Notice of Violation in error, please email the Idle Well Program at <u>CalGEMIdleWells@conservation.ca.gov</u>, within 10 days of receipt and include your operator name and operator code in the subject line.

Failure to comply with CCR section 1772.1.4 is a violation of law, which may subject you to civil penalties. (Pub. Resources Code, § 3236.5.) In addition, failure to comply with CCR section 1772.1.4 is conclusive evidence of desertion of the well(s) for which the State Oil and Gas Supervisor may order the well(s) plugged and abandoned. (Pub. Resources Code, §§ 3206.1, subd. (e) and 3237.)

If you have any questions, please contact the Idle Well Program at CalGEMIdleWells@conservation.ca.gov.

Sincerely,

Dante Vianzon

Supervising Oil and Gas Engineer

CC:

Enclosure: List of wells that are overdue for testing on the Testing Compliance Work Plan

Enclosure: List of wells that are overdue for testing on the Testing Compliance Work Plan

Well API	Well Designation	Years Idle on April 1, 2019	Casing Pressure Test Overdue as of:	Cleanout tag Overdue as of:
0403714792	1	31.33	4/1/2020	4/1/2020
0403714793	2	18.50	4/1/2021	4/1/2021
0403714797	6	18.42	4/1/2022	4/1/2022

NOTICE OF APPEAL TO THE DIRECTOR OF THE DEPARTMENT OF CONSERVATION

Use of this form is optional. You may use this form to prepare a Notice of Appeal from the enclosed Order. The style and content of this form are only suggestions. You may file a written notice of appeal in a different format.

Mail the completed form to the address at the bottom of this page.

Box 1: Statement of Intent to Appeal			
(Review the text in this box to confirm that the operator information Order No. 1350			
are accurate. Make any necessary corrections directly on the form.)			
Operator, Emil W. Plegel, hereby appeals from State Oil and Gas Supervisor Order No.			
1350			
Box 2: Basis of Appeal (Explain the regions why you are appealing the order. Make your explanation as			
(Explain the reasons why you are appealing the order. Make your explanation as clear and complete as you can. If you need more space to write your explanation,			
attach additional pages. Label any attached additional pages with "Notice of			
Appeal re: Order No. 1350")			
The reasons for this appeal are as follows:			
□ (Attach additional pages as necessary.)			
Box 3: Contact Information for Operator Representative			
(Provide contact information for the preferred operator representative with whom the			
Appeals Officer and Supervisor's legal counsel may communicate regarding the			
appeal.)			
Name:			
Physical Mail:			
(Address)			
(City, State, Zip)			
Phone: (
Email:			
□ I agree to document service using the email address above.			
Box 4: Certification of Authority			

Mail or E-mail this Notice of Appeal to the following the following address, as appropriate:

Department of Conservation, Director's Office of Appeals 715 P Street, MS 1906 (Legal Office, Chief Counsel) Sacramento, CA 95814-3530 CalGEMAppeals@conservation.ca.gov

(Verify that all information on or attached to the form is correct, then sign and date the certification where indicated.)			
I am the operator named in Box 1, above, or I have authority to act on behalf of that			
operator for purposes of preparing and filing this Notice of Appeal.			
Signature:			
Date:			
Printed Name:			
Affiliation with operator:			
(e.g., self, owner, president, legal counsel, etc.)			

Mail or E-mail this Notice of Appeal to the following the following address, as appropriate:

PROOF OF SERVICE BY CERTIFIED U.S. MAIL I declare that I am employed in the County of Sacramento, California. I am over the age of 18 and not a party to the within captioned cause. My business address is 715 P Street, MS 1803, Sacramento, California 95814. On December 20, 2023, I served the following document(s): ORDER TO PAY A CIVIL PENALTY ORDER NUMBER 1350 by enclosing them in an envelope and placing the envelope for collection and mailing by certified U.S. mail on the date and at the below listed address(es) following our ordinary business practices. I am readily familiar with this business's practice for collecting and

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

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

Emil W. Plegel	Emil W. Plegel
17052 Cascades Ave	c/o Michelle Jara
Yorba Linda, CA 92886	127 Wilson Ave
Certified Mail Receipt Number:	Placentia, CA 92870
9589 0710 5270 1467 6679 63	Certified Mail Receipt Number:
	9589 0710 5270 1467 6679 70

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 <u>December 20, 2023</u>, at Sacramento, CA.

Rachael A. Tadlock

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3.	A. Signature
Print your name and address on the reverse	Agent Addressee
so that we can return the card to you. Attach this card to the back of the mailpiece,	B. Received by (Printed Name) C. Date of Delivery
or on the front if space permits.	Karrie Prad 427/3
Article Addressed to:	D. Is delivery address different from item 1? Yes
	If YES, enter delivery address below: No
Emil W. Plegel	1 3 1 4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
17052 Cascades Ave	
Yorba Linda, CA 92886	
1360	
	3. Service Type ☐ Priority Mail Express® ☐ Adult Signature ☐ Registered Mail™
	☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted ☐ Certified Mail® ☐ Delivery
	☐ Certified Mail Restricted Delivery ☐ Collect on Delivery ☐ Signature Confirmation ☐ Signature Confirmation
	☐ Collect on Delivery Restricted Delivery Restricted Delivery
9589 0710 5270 1467 6679 63	nsured Mail Restricted Delivery over \$500)
PS Form 3811, July 2020 PSN 7530-02-000-9053	Domestic Return Receipt
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete items 1, 2, and 3.	A. Signature
Print your name and address on the reverse	X Agent
so that we can return the card to you. Attach this card to the back of the mailpiece,	B. Received by (Printed Warre) C. Date of Delivery
or on the front if space permits.	IMICHEITE LTARA 101/03/24
1. Article Addressed to:	D. Is delivery address different from item 1? Yes
Emil W. Dlavel	If YES, enter defivery address below:
Emil W. Plegel c/o Michelle Jara	JAN - 8 2024
127 Wilson Ave	
Placentia CA 02070	Geologic Energy Management Division
1 lacertia, CA 92870 \350	Management
AT AN ADDRESS OF THE PARTY OF T	3. Service Type
	☐ Adult Signature Restricted Delivery ☐ Registered Mail Restricted Delivery ☐ Delivery
9590 9402 8259 3094 9206 58	☐ Certified Mail Restricted Delivery ☐ Signature Confirmation™ ☐ Collect on Delivery ☐ Signature Confirmation
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Natural Resources Agency
Department of Conservation
Geologic Energy Management Division
715 P Street MS 1803

715 P Street, MS 1803 Sacramento, CA 95814

1350 - Ուիիիիիիիիիիիիիիիիիիիիիիիիի