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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 PLUG AND ABANDON WELL,**  
15 **DECOMMISSION ATTENDANT FACILITIES,**  
16 **AND RESTORE WELL SITE**  
17 **NO. 1363**

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19 **Operator: Archer Operations, California, LLC (A3426)**  
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1 I. Introduction

2 The State Oil and Gas Supervisor (**Supervisor**), acting through the Geologic Energy  
3 Management Division (**CalGEM**), and under the authority of Division 3 of the Public Resources  
4 Code (**PRC**) (commencing with PRC section 3000) and California Code of Regulations, title 14  
5 (**Regulations**), may order the plugging and abandonment of a well or the decommissioning of  
6 a production facility that has been deserted, whether or not any damage is occurring, or  
7 threatened, by reason of that deserted well or production facility. (PRC, § 3237, subd. (a).) An  
8 operator's failure to comply with idle well testing and management requirements is conclusive  
9 evidence of desertion. (PRC, § 3206.1, subd. (e).) An operator's failure to designate an agent  
10 as required by PRC section 3200 creates a rebuttable presumption of desertion. (PRC, § 3237,  
11 subd. (a)(3)(D).)

12 Based on CalGEM's records, Archer Operations, California, LLC (**Operator**) is the  
13 "operator" (as defined in PRC section 3009) of the well identified on **Attachment A**,  
14 incorporated herein (**the Well**), and is responsible (as specified in PRC section 3237, subdivision  
15 (c)(1)) for the plugging and abandonment of the Well, the decommissioning of the production  
16 facilities attendant to the Well (**the Facilities**), and the restoration of the well site for the Well.  
17 CalGEM's records indicate that, under applicable provisions of Regulations section 1772,  
18 Operator was required to submit an Idle Well Inventory and Evaluation, and Operator has not  
19 done so. Operator was also required to perform a fluid-level test and a casing pressure test  
20 within 24 months of the Well becoming idle, and Operator has not done so. The failure to  
21 submit an Idle Well Inventory and Evaluation and to perform required idle well testing provides  
22 conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

23 Further, on July 12, 2023, CalGEM issued Order No. 1311 and addressed it to Operator's  
24 designated agent. However, the order was returned to sender. Operator's failure to provide  
25 and maintain on file with CalGEM accurate contact information for an agent, as required by  
26 PRC section 3200, creates a rebuttable presumption of desertion. (PRC, § 3237, subd.  
27 (a)(3)(D).) In addition, as described in more detail below, the extent of compliance by  
28 Operator with the requirements of the PRC and the operational history of the Well provides

1 credible evidence of desertion. (PRC, § 3237, subd. (a)(2).)

2 Therefore, based upon conclusive evidence of desertion, a rebuttable presumption of  
3 desertion, and credible evidence of desertion, the Supervisor has determined that the Well  
4 and the Facilities are deserted, and pursuant to PRC sections 3106, 3206, 3224, 3226, and 3237,  
5 and as set forth below, the Supervisor is ordering Operator to plug and abandon the Well, to  
6 decommission the Facilities, and to restore the well site for the Well, consistent with all  
7 applicable requirements, including PRC sections 3208, 3228, 3229, and 3230; Regulations  
8 sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the  
9 conditions included in any permit/approval CalGEM may issue pursuant to PRC section 3229;  
10 and until that work is complete, perform remedial work and testing as necessary to prevent  
11 damage to life, health, property, and natural resources.

12 **Attachment B** contains a list of definitions and authorities that are applicable to this  
13 Order.

14 **II. Conclusive Evidence of Desertion**

15 Based on CalGEM's records, at all times relevant to this Order, Operator was the  
16 "operator," as defined in PRC section 3009, of the Well. At all times relevant to this Order, the  
17 Well was an "idle well" as defined in PRC section 3008, subdivision (d).

18 As the operator of the Well, Operator was required to submit an Idle Well Inventory and  
19 Evaluation to CalGEM in a digital format by January 31, 2021, or within one year after  
20 becoming the operator of an idle well, whichever is later, pursuant to Regulations section  
21 1772, and failed to do so. The Well became idle in March 2020. Therefore, Operator was  
22 required to submit an Idle Well Inventory and Evaluation by January 31, 2021. As of the date of  
23 this Order, CalGEM has no records indicating that Operator has submitted an Idle Well  
24 Inventory and Evaluation for the Well.

25 Operator's failure to submit an Idle Well Inventory and Evaluation for the Well is  
26 conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

27 As the operator of the Well, Operator was required to conduct a fluid-level test on the  
28 Well pursuant to Regulations section 1772.1, subdivision (a)(1), and failed to do so. The Well

1 was due for a fluid-level test within 24 months of becoming an idle well. On February 9, 2023,  
2 CalGEM issued a Notice of Violation (NOV) to Operator regarding the outstanding fluid-level  
3 test and provided a new date for submission: March 2, 2023. (**Attachment C**, incorporated  
4 herein.) As of the date of this Order, CalGEM has no records indicating that Operator has  
5 performed fluid-level testing on the Well.

6 Operator's failure to perform fluid-level testing on the Well is conclusive evidence of  
7 desertion. (PRC, § 3206.1, subd. (e).)

8 As the operator of the Well, Operator was required to perform a casing pressure test on  
9 the Well pursuant to Regulations section 1772.1, subdivision (a)(2), and failed to do so. The Well  
10 was due for a casing pressure test within 24 months of becoming idle. On February 9, 2023,  
11 CalGEM issued a NOV to Operator regarding the outstanding casing pressure test and  
12 provided a new date for submission of the results: March 2, 2023. (**Attachment D**, incorporated  
13 herein.) As of the date of this Order, CalGEM has no records indicating that Operator has  
14 performed a casing pressure test on the Well. In addition, pursuant to Regulations section  
15 1772.1, subdivision (b), within 12 months of failing to timely conduct a casing pressure test on  
16 the Well, Operator was required to do one of the following: (1) bring the Well into compliance;  
17 (2) partially plug and abandon the Well in accordance with Regulations section 1752; (3) plug  
18 and abandon the Well in accordance with PRC section 3208; or (4) schedule the Well for  
19 plugging and abandonment under an approved Idle Well Management Plan or an approved  
20 Testing Waiver Plan. On September 15, 2023, CalGEM issued a NOV to Operator regarding its  
21 failure to timely comply with the requirements of Regulations section 1772.1, subdivision (b).  
22 (**Attachment E**, incorporated herein.) As of the date of this Order, CalGEM has no records  
23 indicating that Operator has brought the Well into compliance, partially plugged and  
24 abandoned the Well, plugged and abandoned the Well, or scheduled the Well for plugging  
25 and abandonment.

26 Operator's failure to conduct casing pressure testing on the Well and comply with the  
27 requirements after such failure provides conclusive evidence of desertion. (PRC, § 3206.1,  
28 subd. (e).)



1 Operator.

2 The operational history of the Well, Operator's lack of responsiveness to CalGEM, and  
3 Operator's compliance history provides credible evidence of desertion. (PRC, § 3237, subd.  
4 (a)(2).)

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

6 For the reasons stated herein, CalGEM has determined that the Well and the Facilities  
7 are deserted. Therefore, pursuant to PRC sections 3106, 3206, 3224, 3226, and 3237, **IT IS HEREBY**  
8 **ORDERED** that Operator plug and abandon the Well, decommission the Facilities, and restore  
9 the well site for the Well consistent with all applicable requirements of PRC sections 3208, 3224,  
10 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1,  
11 1760, 1772.1, 1775, and 1776; and the conditions included in any permit CalGEM may issue  
12 pursuant to PRC section 3229. Until that work is complete, Operator is ordered to perform  
13 remedial work and testing on the Well and the Facilities as necessary to prevent damage to  
14 life, health, property, and natural resources.

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

16 Operator may appeal this Order by filing a timely written notice of appeal with the  
17 Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing  
18 with PRC section 3350. (PRC, §§ 3225, subd. (d); 3236.5, subd. (c); 3237, subd. (b).) If this Order  
19 is mailed to you, the Director must receive the appeal within (15) days from the date the  
20 Supervisor mails the Order. To file an appeal, a written notice of appeal may be sent via U.S.  
21 mail to:

22 Department of Conservation  
23 Director's Office of Appeals  
24 715 P Street, MS 19-06 (Legal Office, Chief Counsel)  
25 Sacramento, California 95814

26 Or via electronic mail:

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

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

4 If Operator does not file a timely written notice of appeal, or if the Order is affirmed  
5 following an appeal, this Order will become a final order and CalGEM may contract for  
6 performance of the work, pursuant to PRC section 3226, if, within 30 days of this Order,  
7 Operator has not, in good faith, commenced the work ordered. Any costs incurred by  
8 CalGEM to obtain compliance with this Order (which may include penalties and interest) will  
9 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §  
10 3356.)

11 **VII. Consequences of Non-Compliance**

12 Failure to comply with Section V (Operator's Required Actions) of this Order could  
13 subject Operator to further enforcement action, including additional civil penalties, as  
14 appropriate. PRC section 3236 makes it a misdemeanor for any person who violates, fails,  
15 neglects, or refuses to comply with any of the provisions of the oil and gas conservation laws  
16 commencing at PRC section 3000. PRC section 3359 makes it a misdemeanor to fail or  
17 neglect to comply with an order of the Supervisor. Each day's further failure, refusal, or neglect  
18 is a separate and distinct offense. (PRC, §3359).

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21 DATED: February 22, 2024

*Douglas Ito*

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Doug Ito  
State Oil and Gas Supervisor