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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 FACILITY,				
16	AND RESTORE WELL SITE				
17	NO. 1420				
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19	Operator: Princeton Natural Gas, LLC (P4675)				
20	King Island Gas Field Northern District, San Joaquin County				
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	1 Order to Plug and Abandon Well(s) No. 1420				

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I. Introduction

The State Oil and Gas Supervisor (Supervisor), acting through the Geologic Energy 2 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 a production facility that has been deserted, whether or not any damage is occurring, or 6 7 threatened, by reason of that deserted well. (PRC, § 3237, subd. (a).) An operator's failure to timely pay required annual fees for any idle well is conclusive evidence of desertion. (PRC, § 8 9 3206, subds. (a) and (c).)

10 Based on CalGEM's records, Princeton Natural Gas, LLC (Operator) is the "operator" (as 11 defined in PRC section 3009) of the well "Piacentine" 1-27 (API No. 0407720484) (the Well), and is responsible (as specified in PRC section 3237, subdivision (c)(1)) for the plugging and 12 13 abandonment of the Well, the decommissioning of the production facility attendant to the 14 Well (the Facility), and the restoration of the well site for the Well. CalGEM records indicate 15 that, under applicable provisions of PRC section 3206, Operator was required to timely pay 16 idle well fees for the Well for years 2022, 2023, and 2024, and that Operator has not done so. 17 This failure to timely pay idle well fees is conclusive evidence of desertion, based upon which the Supervisor has determined that the Well and the Facility are deserted. Therefore, pursuant 18 19 to PRC sections 3106, 3206, 3224, 3226, and 3237, and as set forth below, the Supervisor is 20 ordering Operator to plug and abandon the Well, to decommission the Facility, and to restore 21 the well site for the Well, consistent with all applicable requirements, including PRC sections 22 3208, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 23 1724.1, 1760, 1775, and 1776; and the conditions included in any permit/approval CalGEM 24 may issue pursuant to PRC section 3229; and until that work is complete, perform remedial 25 work and testing as necessary to prevent damage to life, health, property, and natural 26 resources.

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

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II. **Conclusive Evidence of Desertion**

Based on CalGEM's records, at all times relevant to this order, Operator was the 3 "operator," as defined in PRC section 3009, of the Well. At all times relevant to this order, the 4 Well was an "idle well" as defined in PRC section 3008, subdivision (d).

5 As the operator of the Well, following the process for idle well management set forth in PRC section 3206, subdivision (a), Operator did not submit an Idle Well Management Plan in 6 lieu of paying idle well fees. Operator was therefore required to pay an idle well fee for its idle 7 8 well that was idle in 2021 by May 1, 2022, as provided in the 2022 Idle Well Fee Invoice 9 prepared by CalGEM; idle in 2022 by May 1, 2023, as provided in the 2023 Idle Well Fee Invoice prepared by CalGEM; and idle in 2023 by May 1, 2024, as provided in the 2024 Idle Well Fee 10 11 Invoice prepared by CalGEM. (PRC, § 3206, subds. (a) & (a) (2) (B) (v).) (Attachments B, C, and D incorporated herein.) As of the date of this order, Operator has not paid its idle well fees for 12 13 its Well idle in 2021, 2022, and 2023.

14 Operator's failure to pay the required idle well fees for the Well is conclusive evidence 15 of desertion. (PRC, § 3206, subd. (c).)

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III. **Operator's Required Actions**

17 For the reasons stated herein, CalGEM has determined that the Well and the Facility are 18 deserted. Therefore, pursuant to PRC sections 3106, 3206, 3224, 3226, and 3237, IT IS HEREBY 19 **ORDERED** that Operator plug and abandon the Well, decommission the Facility, and restore 20 the well site for the Well consistent with all applicable requirements of PRC sections 3208, 3224, 21 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 22 1760, 1775, and 1776; and the conditions included in any permit CalGEM may issue pursuant 23 to PRC section 3229. Until that work is complete, Operator is ordered to perform remedial work 24 and testing on the Well and the Facility as necessary to prevent damage to life, health, 25 property, and natural resources.

IV. **Operator's Appeal Rights**

27 Operator may appeal this Order by filing a timely written notice of appeal with the 28 Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing

1	with PRC section 3350. (PRC, §§ 3225, subd. (d); 3236.5, subd. (c); 3237, subd. (b).) If this Order			
2	is mailed to you, the Director must receive the appeal within (15) days from the date the			
3	Supervisor mails the Order. To file an appeal, a written notice of appeal may be sent via U.S.			
4	mail to:			
5	Department of Conservation			
6	Director's Office of Appeals			
7	715 P Street, MS 19-06 (Legal Office, Chief Counsel)			
8	Sacramento, California 95814			
9	Or via electronic mail:			
10	CalGEMAppeals@conservation.ca.gov			
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12	If Operator files a timely written notice of appeal, Operator will be informed of the			
13	appeal hearing date, time, and place. Following the hearing, Operator will receive a written			
14	decision that affirms, sets aside, or modifies the appealed order.			
15	If Operator does not file a timely written notice of appeal, or if the order is affirmed			
16	following an appeal, this order will become a final order and CalGEM may contract for			
17	performance of the work, pursuant to PRC section 3226, if, within 30 days of this order,			
18	Operator has not, in good faith, commenced the work ordered. Any costs incurred by			
19	CalGEM to obtain compliance with this order (which may include penalties and interest) will			
20	constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §			
21	3356.)			
22	V. <u>Consequences of Non-Compliance</u>			
23	Failure to comply with Section III (Operator's Required Actions) of this order could			
24	subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for			
25	any person who violates, fails, neglects, or refuses to comply with any of the provisions of the			
26	oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and			
27	3236.3 authorizes the Supervisor to refer for civil penalties and injunctive relief for failure to			
28	comply with an order or for violation of any provision in Chapter 1 of Division 3 of the PRC or			
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any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to 1 2 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the 3 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 4 5 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 6 7 of the Supervisor within the time provided by the order or has failed to challenge the order on 8 a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an 9 order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right to take 10 11 further enforcement actions. PRC sections 3236.2 and 3236.3 authorizes the Supervisor to seek 12 civil penalties and injunctive relief for failure to comply with an order or for violation of any provision in Chapter 1 of Division 3 of the PRC or any regulation that implements those statutes. 13 14

15 16		Elizabeth Yura			
17	DATED:	Elizabeth Yura Deputy Su	pervisor on behalf of		
18		Doug Ito State Oil and Gas Supervisor			
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