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8 **STATE OF CALIFORNIA**
9 **NATURAL RESOURCES AGENCY**
10 **DEPARTMENT OF CONSERVATION**
11 **GEOLOGIC ENERGY MANAGEMENT DIVISION**
12 **ORDER TO PAY A CIVIL PENALTY**
13 **NO. 1495**
14

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16 **Operator: Bridgeland Resources, LLC (11583)**
17 **Field Name(s): Rosecrans and Rosecrans, South**
18 **County: Los Angeles**
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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 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, Bridgeland Resources, LLC (**Operator**) is the "operator" (as defined in PRC, § 3009) and is responsible for the Wells and associated Production Facilities identified on **Attachment A**, incorporated herein (the "**Wells**" and "**Facilities**"). As described in more detail below, Operator has not maintained compliance with applicable requirements for operation of the Wells and the Facilities. Operator's failure to comply with the Regulations poses a potential threat to life, health, property, and natural resources and constitute violations for which the Supervisor has determined imposition of a civil penalty is appropriate. Therefore, pursuant to PRC sections 3106, 3225, 3226, 3236.5, and 3270 and Regulations section 1777, the Supervisor is ordering Operator to pay an administrative civil penalty for the violations.

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

II. Alleged Acts and Omissions

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 and Facilities. On or about October 2, 2024, October 3, 2024, and October 7, 2024, CalGEM conducted inspections of the Wells and Facilities where the violations described below were observed and documented on the Rosecrans and Rosecrans, South Fields. (**Attachments C-F**, incorporated herein.)

CalGEM records reflect Operator has not maintained compliance with applicable requirements for operation of the Wells and the Facilities. Operator's lack of adherence to the Regulations poses a potential threat to life, health, property, and natural resources. The

violations at issue are identified below.

A. Failure to maintain productions facilities in good condition and in a manner to prevent leakage or corrosion (Regulations, § 1777, subd. (a).)

Operators are required to maintain production facilities in good condition and in a manner to prevent leakage or corrosion and to safeguard life, health, property, and natural resources and conduct operations in accordance with good oilfield practices. (Regulations, § 1777, subd. (a).)

During the inspection(s), CalGEM observed the following tank not being maintained in a good condition and in a manner to prevent leakage or corrosion, in violation of the Regulations, section 1777, subdivision (a):

Facility (Component) ID	Facility Setting ID	Facility (Component) Name	Facility (Component) Type
13465	90295460	Injection Water Tank #125772	Tank

The violation was corrected on or around December 20, 2024.

B. Failure to remove weeds and/or debris from secondary containment (Regulations § 1777, subd. (c)(2).)

In the event of a spill, secondary containment protects the surrounding area from contamination. Required maintenance of production facilities includes removal of weeds and debris from secondary containment areas. (Regulations, § 1777, subd. (c)(2).) Weeds and debris can: (1) obstruct view of the secondary containment, which can make detection of compromised secondary containment difficult; (2) present a fire hazard; and (3) can compromise containment integrity and capacity.

During the inspection(s), CalGEM observed weeds and/or debris on or in the secondary containment, in violation of Regulations, section 1777, subdivision (c)(2), at the following production facilities:

Facility (Component) ID	Facility Setting ID	Facility (Component) Name	Facility (Component) Type
13258	90295463	Crude Oil Stock Tank 125903	Tank
13260	90295463	Storage Tank	Tank

The violation was corrected on or around December 20, 2024.

C. Failure to Keep Well Cellar Drained (Regulations, § 1777, (c)(3).)

The well cellar is an excavated area around the wellhead that provides space for equipment at the top of the wellbore. Operators are required to keep well cellars drained. (Regulations, § 1777, subd. (c)(3).)

During the inspections, CalGEM observed fluids in the well cellar, in violation of Regulations, section 1777, subd. (c)(3), at the following Wells:

API	Well Designation
0403713647	Trust 5
0403714431	O'Dea 2
0403714433	O'Dea 3-A
0403714437	O'Dea 7
0403714443	O'Dea 15
0403714446	O'Dea 18
0403714448	O'Dea 20
0403714451	Rosecrans 1
0403714452	Rosecrans 2
0403714666	Rosecrans 11
0403714668	Rosecrans 17
0403714675	Rosecrans 46

0403715012	Rosecrans 32
0403715020	Rosecrans 41

The violations were corrected on or around December 20, 2024.

III. Civil Penalty/Remedial Work

A. Civil Penalty

Based on the foregoing Alleged Acts and Omissions and pursuant to PRC section 3236.5, by this Order the Supervisor imposes on Operator an administrative civil penalty totaling one thousand eight hundred fifty dollars (\$1,850.00.) for the 16 violations.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to maintain production facilities in good condition and in a manner to prevent leakage or corrosion (Regulations, § 1777, subd. (a))	1	\$250.00	\$250.00
Failure to remove weeds and/or debris from secondary containment (Regulations, § 1777, subd. (c)(2))	1	\$200.00	\$200.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).)	14	\$100.00	\$1400.00
		Total Civil Penalty:	\$1,850.00

For purposes of this Order, the Supervisor considered relevant circumstances when establishing the amount of the administrative civil penalty, including: characterizing the violations as “minor” (as defined in PRC section 3236.5, subdivision (b)), the eight factors identified in PRC section 3236.5, subdivision (a), and the following: the Wells and tanks are located in an urban area, as defined by Regulations section 1760, subdivision (y), are inside a health protection zone, as defined by Regulations section 1765.1, subdivision (b), and are environmentally sensitive, as defined by Regulations section 1760, (f), the Well is a critical well, as defined by Regulations section 1720. As of January 2, 2025, the violations have been remediated by Operator.

1 **IV. Operator's Required Actions**

2 For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3225, and 3236.5,
3 and Regulations sections 1773.1 and 1777, **IT IS HEREBY ORDERED** that within thirty (30) days of
4 the date the Order, Operator pay an administrative civil penalty of one thousand eight
5 hundred fifty dollars (\$1,850.00).

6 To remit payment of the civil penalty online, please visit
7 <https://www.govone.com/PAYCAL/Home/SelectAgency> and select "California Department
8 of Conservation Geologic Energy Management Division," then follow the instructions on the
9 screen.

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

12 Department of Conservation
13 CalGEM, Attn: Operational Management Unit
14 715 P Street, MS 1803
15 Sacramento, California 95814

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

18 **V. Operator's Appeal Rights**

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

24 Department of Conservation
25 Director's Office of Appeals
26 715 P Street, MS 19-06 (Legal Office, Chief Counsel)
27 Sacramento, California 95814
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1 Or via electronic mail to:

2 OfficeofAppeals@conservation.ca.gov

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

7 If Operator does not file a timely written notice of appeal, or if the Order is affirmed
8 following an appeal, this Order will become a final order and CalGEM may contract for
9 performance of the work, pursuant to PRC section 3226, if, within 30 days of this Order,
10 Operator has not, in good faith, commenced the work ordered. Any costs incurred by
11 CalGEM to obtain compliance with this Order (which may include penalties and interest) will
12 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
13 3356.)

14 **VI. Other Potential Actions to Enforce This Order**

15 Failure to comply with Section IV (Operator's Required Actions) of this Order could
16 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for
17 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the
18 oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and
19 3236.3 authorize the Supervisor to seek for civil penalties and injunctive relief for failure to
20 comply with an order or for violations of any provision in Chapter 1 of Division 3 of the PRC or
21 any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to
22 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the
23 PRC or any regulation that implements those statutes, and the Supervisor may in the future
24 impose further civil penalties based on the facts and omissions underlying this order. PRC
25 section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or
26 the decommissioning of a production facility if an operator has failed to comply with an order
27 of the Supervisor within the time provided by the order or has failed to challenge the order on
28 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.) By issuance of this Order, the Supervisor does not waive the right to take further enforcement actions.

DATED: 1/31/2025

Doug Ito
Doug Ito
State Oil and Gas Supervisor