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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 PAY A CIVIL PENALTY AND PERFORM REMEDIAL WORK**
15 **NO. 1506**
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18 **Operator: Cooper & Brain, Inc. (C8100)**
19 **Field Names: Torrance, Wilmington, El Segundo, Rosecrans, and Brea-Olinda**
20 **Counties: Orange and 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, Cooper & Brain, Inc. (**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 requiring remedial work and for which the Supervisor has determined imposition of a civil penalty is appropriate. Therefore, pursuant to PRC sections 3106, 3224, 3225, 3226, 3236.5, and 3270 and Regulations section 1777, the Supervisor is ordering Operator to (1) perform remedial work to bring the Wells and Facilities into compliance and (2) 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 14, 2024, October 15, 2024, and October 16, 2024, CalGEM conducted inspections of the Wells and Facilities where the violations described below were observed and documented in the Torrance, Wilmington, El Segundo, Rosecrans and Brea-Olinda Fields. (**Attachments C, D, and E**, incorporated herein.)

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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 production 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).) Production facilities include wellheads. (PRC, § 3010; Regulations, § 1760, subd. (r).)

During the inspection, CalGEM observed the following wellheads 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):

API	Well Designation	Status of Violation
0403714979	Howard Park 1	Active
0403721659	Watson B 4	Active
0403721534	Watson B 2	Active
0403722676	Watson B 6	Active
0403723366	Watson B 7	Active
0405907179	29	Active
0405907182	32	Active
0403720755	Bank Of America 6	Resolved
0403714408	Bank Of America 4	Resolved
0403714405	Bank Of America 1	Resolved
0403714410	Republic Trust 1	Resolved

API	Well Designation	Status of Violation
0403717305	Brown Bevis Lease Well 31	Resolved
0403717303	Brown Bevis Lease Well 29	Resolved
0403723092	Watson A 5	Resolved
0403723151	Watson A 6	Resolved
0403705057	Watson B 1	Resolved
0403707204	Title Insurance and Trust Co. 2	Resolved
0403717301	Brown Bevis Lease Well 27	Resolved

As of the date of this Order, CalGEM does not have any records from Operator demonstrating that the seven (7) “active” violations listed above have been corrected or resolved. The eleven (11) “resolved” violations were remediated by Operator on or around November 21, 2024.

B. Failure to maintain tank 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, CalGEM observed the following tank leaking in violation of Regulations section 1777, subdivision (a):

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	14001	Wash Tank 1	Wash

As of the date of this Order, CalGEM does not have any records from Operator demonstrating that the violation was corrected.

C. 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, 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 Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	13992	OOS Clarifier 1	Clarifier
90295535	Brea Lease Tank Farm	Southern	13993	OOS Clarifier 2	Clarifier
90295535	Brea Lease Tank Farm	Southern	13994	Poly Clarifier 1	Clarifier
90295535	Brea Lease Tank Farm	Southern	13995	Poly Clarifier 2	Clarifier
90295535	Brea Lease Tank Farm	Southern	13996	Poly Clarifier 3	Clarifier
90295535	Brea Lease Tank Farm	Southern	13997	Poly Clarifier 4	Clarifier
90295535	Brea Lease Tank Farm	Southern	13998	Stock Tank 11279	Stock

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	13999	Stock Tank 11278	Stock
90295535	Brea Lease Tank Farm	Southern	14000	Wash Tank 2403	Wash
90295535	Brea Lease Tank Farm	Southern	14001	Wash Tank 1	Wash

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295541	Watson B Tank Setting	Southern	13563	Tank 253	Stock
90295541	Watson B Tank Setting	Southern	14283	Tank 254	Stock
90295541	Watson B Tank Setting	Southern	14346	Tank 255	Stock
90295541	Watson B Tank Setting	Southern	14347	Wash Tank WT#1	Wash
90295541	Watson B Tank Setting	Southern	14348	OOS Prod Water Tank	Produced Water
90295541	Watson B Tank Setting	Southern	17942	South Taller Poly	Skim
90295541	Watson B Tank Setting	Southern	17943	Middle Poly	Skim
90295541	Watson B Tank Setting	Southern	17944	North Poly	Skim

For purposes of this order, CalGEM is considering this to be two violations. One violation for the weeds in the secondary containment at the Brea Lease Tank Farm and one violation for the weeds in the secondary containment at the Watson B Tank Setting. As of the date of this Order, the violation at the Brea Lease Tank Farm has not yet been resolved, while the violation at the Watson B Tank setting has been corrected.

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D. Failure to Keep Well Cellar Drained. (Regulations, § 1777, subd. (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 inspection, CalGEM observed fluids in the well cellar, in violation of Regulations, section 1777, subd. (c)(3), at the following Wells:

API	Well Designation
0405907182	32
0405907178	28
0405907164	13
0405907181	31
0405907177	27
0405907179	29
0405907169	18

As of the date of this Order, CalGEM does not have any records from Operator demonstrating that the violations were corrected.

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 three thousand four hundred dollars (\$3,400.00) for the 28 violations.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to Keep Well Cellar Drained (Regulations, § 1777, (c)(3).) 0405907182 0405907178 0405907164 0405907181	5	\$100.00	\$500.00

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
0405907177			
Failure to Keep Well Cellar Drained (Regulations, § 1777, (c)(3).) 0405907179 0405907169	2	\$200.00	\$400.00
Failure to Maintain Tank in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Tanks (Regulations, § 1777, subd. (a).) (Tank 14001)	1	\$150.00	\$150.00
Failure to remove weeds and/or debris from secondary containment (Regulations, § 1777, subd. and (c)(2))	2	\$200.00	\$400.00
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) 0403714979 0403722676 0405907179 0405907182 0403720755 0403714408 0403714405 0403714410 0403717305 0403717303 0403723092 0403723151 0403705057 0403707204 0403717301	15	\$100.00	\$1,500.00
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) 0403721659 0403721534 0403723366	3	\$500	\$1,500.00
		Total Civil Penalty:	\$3,400.00

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 inside a health protection zone, as defined by Regulations section 1765.1, subdivision (b), are environmentally sensitive, as defined by Regulations section 1760, subdivision (f), and the Wells are critical wells, as defined by Regulations section 1720, subdivision (a).

B. Remedial Work

Pursuant to PRC section 3224, the Supervisor hereby orders Operator to complete remedial work to come into compliance with Regulations section 1777, as outlined below in Operator's Required Actions.

IV. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3224, 3225, and 3236.5, and Regulations sections 1773.1, and 1777, **IT IS HEREBY ORDERED** that Operator:

- 1) Pay an administrative civil penalty of totaling three thousand four hundred dollars (\$3,400.00); and
- 2) In accordance with PRC section 3224 and Regulations section 1777 Operator is required to:
 - a. Remove weeds, vegetation and debris from the secondary containment at the following production facilities:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	13992	OOS Clarifier 1	Clarifier
90295535	Brea Lease Tank Farm	Southern	13993	OOS Clarifier 2	Clarifier
90295535	Brea Lease Tank Farm	Southern	13994	Poly Clarifier 1	Clarifier

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	13995	Poly Clarifier 2	Clarifier
90295535	Brea Lease Tank Farm	Southern	13996	Poly Clarifier 3	Clarifier
90295535	Brea Lease Tank Farm	Southern	13997	Poly Clarifier 4	Clarifier
90295535	Brea Lease Tank Farm	Southern	13998	Stock Tank 11279	Stock
90295535	Brea Lease Tank Farm	Southern	13999	Stock Tank 11278	Stock
90295535	Brea Lease Tank Farm	Southern	14000	Wash Tank 2403	Wash
90295535	Brea Lease Tank Farm	Southern	14001	Wash Tank 1	Wash

b. Repair the following wellheads in a manner to prevent leakage or corrosion:

API	Well Designation
0403714979	Howard Park 1
0403722676	Watson B 6
0405907179	29
0405907182	32
0403721659	Watson B 4
0403721534	Watson B 2
0403723366	Watson B 7

c. Stop all leaks from the following tank:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295535	Brea Lease Tank Farm	Southern	14001	Wash Tank 1	Wash

Note: Regulations section 1773.5, subdivision (b), prohibits Out-of-Service production facilities from being reactivated until all needed repairs have been completed and the production facility is in compliance with all applicable testing and inspection requirements. Operator is required to submit required testing and inspection information to CalGEM for review prior to reactivation of the tanks pursuant to Regulations section 1773.4;

d. Drain the well cellar, at the following Wells:

API	Well Designation
0405907182	32
0405907178	28
0405907164	13
0405907181	31
0405907177	27
0405907179	29
0405907169	18

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

1 Please include the Operator name, Order number, and phrase "Oil and Gas
2 Environmental Remediation Account" on the check itself. When filling out the "order number"
3 field, please type the order number followed by the letter "O."

4 Upon performing the required remedial work, please contact Renee Weigand at
5 CalGEM's Southern District via email at Renee.Weigand@conservation.ca.gov.

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

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

12 Department of Conservation
13 Director's Office of Appeals
14 715 P Street, MS 19-06 (Legal Office, Chief Counsel)
Sacramento, California 95814

15 Or via electronic mail to:

16 OfficeofAppeals@conservation.ca.gov
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18 If Operator files a timely written notice of appeal, Operator will be informed of the
19 appeal hearing date, time, and place. Following the hearing, Operator will receive a written
20 decision that affirms, sets aside, or modifies the appealed order.

21 If Operator does not file a timely written notice of appeal, or if the Order is affirmed
22 following an appeal, this Order will become a final order and CalGEM may contract for
23 performance of the work, pursuant to PRC section 3226, if, within 30 days of this Order,
24 Operator has not, in good faith, commenced the work ordered. Any costs incurred by
25 CalGEM to obtain compliance with this Order (which may include penalties and interest) will
26 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
27 3356.)

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VI. Other Potential Actions to Enforce This Order

Failure to comply with Section IV (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 sections 3236.2 and 3236.3 authorize the Supervisor to seek for civil penalties and injunctive relief for failure to comply with an order or for violations of any provision in Chapter 1 of Division 3 of the PRC or any regulation that implements those statutes. 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.) By issuance of this Order, the Supervisor does not waive the right to take further enforcement actions.

DATED: 2/20/2025

Doug Ito
Doug Ito
State Oil and Gas Supervisor