

Department of Conservation, Geologic Energy Management Division  
Doug Ito  
STATE OIL AND GAS SUPERVISOR  
715 P Street, MS 19-06 (Legal Office)  
Sacramento, California 95814  
Telephone (916) 323-6733

**STATE OF CALIFORNIA**  
**NATURAL RESOURCES AGENCY**  
**DEPARTMENT OF CONSERVATION**  
**GEOLOGIC ENERGY MANAGEMENT DIVISION**

**ORDER TO PAY A CIVIL PENALTY AND PERFORM REMEDIAL WORK**  
**NO. 1537**

**Operator: Bridgeland Resources, LLC (11583)**

**Field Name: Brea-Olinda**

**County: Orange**

## 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 requiring remedial work and for which the Supervisor has determined imposition of a civil penalty is appropriate. Therefore, pursuant to PRC sections 3013, 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 April 14, 2025 and April 15, 2025, CalGEM conducted inspections of the Wells and Facilities where the violations described below were observed and documented in the Brea-Olinda Field. (**Attachments C and D**, 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 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 inspections, CalGEM observed a liquid leak at the following wellheads, and the wells therefore 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
0405906693	Olinda 28B
0405920755	Olinda 45B
0405906680	Olinda 6B
0405906682	Olinda 9B
0405907667	Unnamed 103
0405920140	Unnamed 108
0405907511	Unnamed 48
0405907723	Unnamed 9
0405907495	Unnamed 24
0405906695	Olinda 35B
0405921170	Unnamed 144

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

**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, 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 facility:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295569	Olinda Eastside Tank Farm	Southern	13912	Eastside Tank 301	Tank

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

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

API	Well Designation
0405906691	Olinda 21B

API	Well Designation
0405906697	Olinda 38B
0405907667	Unnamed 103
0405920140	Unnamed 108
0405907146	Unnamed 93
0405907619	Unnamed 99-W
0405907620	Unnamed 100
0405907725	Unnamed 28
0405907720	Unnamed 1
0405907494	Unnamed 23
0405920225	Olinda Fee Three 108
0405907561	Olinda Fee Three 6
0405921448	Unnamed 200
0405907128	Unnamed 67
0405920359	Unnamed 115
0405907515	Unnamed 56
0405906700	Olinda 43B
0405906685	Olinda 13B
0405920141	Unnamed 109
0405921170	Unnamed 144

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 nineteen thousand two hundred fifty dollars (\$19,250.00) for the 32 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; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405907667	1	\$500.00	\$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).) API 0405906682	1	\$600.00	\$600.00
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405907495	1	\$700.00	\$700.00
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405906693 API 0405920755 API 0405907511 API 0405920140	4	\$750.00	\$3,000.00
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405906680 API 0405907723	2	\$1,000.00	\$2,000.00
Failure to Maintain Production Facilities in Good Condition and in a	1	\$1,250.00	\$1,250.00

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405906695			
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion; Leaking Wellheads (Regulations, § 1777, subd. (a).) API 0405921170	1	\$1,500.00	\$1,500.00
Failure to remove weeds and/or debris from secondary containment (Regulations, § 1777, subd. and (c)(2).) ID 90295569	1	\$400.00	\$400.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).) API 0405907725 API 0405907494 API 0405907561 API 0405921448 API 0405920359	5	\$200.00	\$1,000.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).) API 0405907515	1	\$300.00	\$300.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).) API 0405907128 API 0405906685	2	\$400.00	\$800.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).) API 0405906691 API 0405907667 API 0405920140 API 0405907619 API 0405907620 API 0405907720 API 0405921170	7	\$500.00	\$3,500.00

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).)  API 0405907146 API 0405920225 API 0405906700	3	\$700.00	\$2,100.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).)  API 0405906697 API 0405920141	2	\$800.00	\$1,600.00
		<b>Total Civil Penalty:</b>	\$19,250.00

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 aggravating factors: the wells and tank are inside a health protection zone, as defined by Regulations section 1765.1, subdivision (b), the wells are located in an urban area, as defined by Regulations section 1760, subdivision (y), are environmentally sensitive, as defined by Regulations section 1760, subdivision (f), are a critical well, as defined by Regulations section 1720, subdivision (a), there is evidence of a dead lizard in one of the cellars and the pervasiveness of the violations across Operator's wells which poses a potential threat to life, health, property, and natural resources

#### **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, 3226, and 3236.5, and Regulations section 1777, **IT IS HEREBY ORDERED** that within 30 days, Operator:

- 1) Pay an administrative civil penalty of nineteen thousand two hundred fifty dollars



(\$19,250.00); and

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. When filling out the "order number" field, please type the order number followed by the letter "O."

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.

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 facility:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90295569	Olinda Eastside Tank Farm	Southern	13912	Eastside Tank 301	Tank

b. Repair the wellheads at the follows Wells in a manner to prevent leakage or corrosion:

API	Well Designation
0405906693	Olinda 28B
0405920755	Olinda 45B

<b>API</b>	<b>Well Designation</b>
0405906680	Olinda 6B
0405906682	Olinda 9B
0405907667	Unnamed 103
0405920140	Unnamed 108
0405907511	Unnamed 48
0405907723	Unnamed 9
0405907495	Unnamed 24
0405906695	Olinda 35B
0405921170	Unnamed 144

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

<b>API</b>	<b>Well Designation</b>
0405906691	Olinda 21B
0405906697	Olinda 38B
0405907667	Unnamed 103
0405920140	Unnamed 108
0405907146	Unnamed 93
0405907619	Unnamed 99-W
0405907620	Unnamed 100
0405907725	Unnamed 28
0405907720	Unnamed 1
0405907494	Unnamed 23
0405920225	Olinda Fee Three 108
0405907561	Olinda Fee Three 6
0405921448	Unnamed 200

API	Well Designation
0405907128	Unnamed 67
0405920359	Unnamed 115
0405907515	Unnamed 56
0405906700	Olinda 43B
0405906685	Olinda 13B
0405920141	Unnamed 109
0405921170	Unnamed 144

Upon performing the required remedial work, please contact Renee Weigand at CalGEM's Southern District via email at [Renee.Weigand@conservation.ca.gov](mailto:Renee.Weigand@conservation.ca.gov).

#### **V. 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 fifteen (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 to:

[OfficeofAppeals@conservation.ca.gov](mailto:OfficeofAppeals@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.)

**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: 6/19/2025

*Doug Ito*

Doug Ito  
State Oil and Gas Supervisor