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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 WELLS, DECOMMISSION**
15 **ATTENDANT FACILITIES, AND RESTORE WELL SITE**
16 **NO. 1567**
17

18 **Operator: Southfork Ranch, LLC (\$4567)**
19 **Field: West Mountain**
20 **Northern District, Ventura County**
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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 California Code of Regulations, Title 14 (**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 threatened, by reason of that deserted well or production facility. (PRC, § 3237, subd. (a).) An operator's failure to submit an idle well Testing Compliance Work Plan, failure to meet the testing benchmarks of an idle well Testing Compliance Work Plan, or failure to remediate any idle well in accordance with Regulations section 1772.1, subdivision (b), is conclusive evidence of desertion. (PRC, § 3206.1, subds. (d) and (e).)

At all relevant times, Southfork Ranch, LLC (**Operator**) has been the "operator" (as defined in PRC section 3009) of the long-term idle wells (**Wells**) and the production facilities attendant to the Wells (**Facilities**) described in **Attachment A**, incorporated herein. CalGEM has determined, based on conclusive evidence, that Operator has deserted the Wells and Facilities. As a result, Operator is responsible (as specified in PRC section 3237, subdivision (c)(1)) for the plugging and abandonment of the Wells, the decommissioning of the Facilities, and the restoration of the well site for the Wells.

CalGEM records show that, pursuant to Regulations sections 1772.1 and 1772.1.4, Operator was required to submit an idle well Testing Compliance Work Plan, meet the testing benchmarks outlined in the idle well Testing Compliance Work Plan, and remediate the Wells. However, Operator has failed to fulfill these requirements.

As a result of Operator's failure to comply with Regulations sections 1772.1 and 1772.1.4, the Supervisor has determined that there is conclusive evidence of desertion. Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, the Supervisor is ordering Operator to plug and abandon the Wells, decommission the Facilities, and restore the well site for the Wells, consistent with all applicable requirements, including PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760,

1775, and 1776; and the conditions included in any permit or approval CalGEM may issue pursuant to PRC section 3229; and until that work is complete, perform remedial work and testing as necessary to prevent damage to life, health, property, and natural resources.

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

II. There is Conclusive Evidence of Desertion of the Wells

A. Conclusive Evidence of Desertion

PRC section 3206.1, subdivision (e), provides that failure to comply with any requirements of the regulations implementing this section (e.g., Regulations, §§ 1772.1, subds. (a)(1) and (b), 1772.1.4, subds. (a) and (b)) shall be conclusive evidence of desertion of the Wells, permitting the Supervisor to order the Wells abandoned pursuant to PRC section 3237. As shown below, Operator failed to comply with these requirements, and this failure constitutes conclusive evidence that the Wells and Facilities are deserted.

B. The Wells are Idle Wells

The Wells have been designated as idle by CalGEM as outlined in the table below. Therefore, at all times relevant to this Order, the Wells were each an idle well as defined in PRC section 3008, subdivision (d).

API	Well Designation	Idle Start Date
0411105483	Converse 4	01/01/2009
0411105484	Converse 5	10/01/1998
0411105470	C. & H. 5	09/01/1980
0411105471	C. & H. 6	04/01/1997
0411105472	C. & H. 7	10/01/1998

0411105473	C. & H. 8	02/01/1998
0411105474	C. & H. 9	01/01/1979
0411105477	C. & H. 13	01/01/1981
0411105478	C. & H. 14	04/01/1998
0411105481	Converse 2	03/01/1949

C. Idle Well Violations Supporting Conclusive Evidence of Desertion

Because the Wells were each an idle well, Operator was required to submit an idle well Testing Compliance Work Plan (TCWP) and comply with the testing benchmarks of the TCWP for each of the Wells. Operator failed to submit a TCWP or comply with the testing benchmarks of that plan as required by Regulations section 1772.1.4, subdivisions (a) and (b), and as identified in the table below.

API	Designation	Casing Pressure Test Due (Regulations, § 1772.1, subd. (a)(2))	Cleanout Tag Due (Regulations, § 1772.1, subd. (a)(3))
0411105471	C. & H. 6	4/1/2020	4/1/2020
0411105473	C. & H. 8	4/1/2021	4/1/2021
0411105478	C. & H. 14	4/1/2022	4/1/2022
0411105472	C. & H. 7	4/1/2022	4/1/2022
0411105481	Converse 2	4/1/2023	4/1/2023
0411105474	C. & H. 9	4/1/2023	4/1/2023
0411105470	C. & H. 5	4/1/2024	4/1/2024
0411105477	C. & H. 13	4/1/2024	4/1/2024
0411105484	Converse 5	4/1/2025	4/1/2025
0411105483	Converse 4	4/1/2025	4/1/2025

1 1. Failure to submit an Idle Well Testing Compliance Work Plan (Regulations, § 1772.1.4,
2 subd. (a))

3 Regulations section 1772.1.4, subdivision (a), provides that operators shall submit an
4 TCWP by June 1, 2019. To date, CalGEM has not received a TCWP from Operator for the Wells.
5 Operator has failed to comply with the requirements of Regulations section 1772.1.4,
6 subdivision (a).

7 2. Failure to Meet Idle Well Testing Compliance Work Plan Benchmarks Due to Failure
8 to Casing Pressure Test and Perform Clean Out Tag (Regulations, §§ 1772.1, subds.
9 (a)(2), (a)(3), 1772.1.4, subd. (b))

10 Regulations section 1772.1.4, subdivisions (a) and (b), provide that operators shall
11 comply with conducting annual testing benchmarks of wells under a TCWP. The casing
12 pressure testing and performance of a clean out tag on each well, as required by the TCWP,
13 were due starting April 1, 2020, until April 1, 2025, as indicated in the table above. (Regulations,
14 §§ 1772.1, subds. (a)(2), (a)(3), 1772.1.4, subds. (a) and (b).) To date, CalGEM has not received
15 evidence of casing pressure testing or performance of clean out tags for any of the Wells.
16 Therefore, Operator has failed to comply with the requirements of Regulations section
17 1772.1.4, subdivision (b).

18 3. Failure To Remediate After Failing to Successfully Complete Idle Well Testing
19 (Regulations, § 1772.1, subd. (b))

20 Within 12 months of failing to conduct a successful casing pressure test pursuant to
21 Regulations section 1772.1, subdivision (a)(2), Operator was required to do one of the
22 following: (1) bring the Wells into compliance as identified by the TCWP requirements, (2)
23 partially plug and abandon the Wells in accordance with Regulations section 1752, (3) plug
24 and abandon the Wells in accordance with PRC section 3208, or (4) schedule the Wells for
25 plugging and abandonment under an approved Idle Well Management Plan or an approved
26 Testing Waiver Plan. (Regulations, § 1772.1, subd. (b).)

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API	Designation	Casing Pressure Test Due (Regulations, § 1772.1, subd. (a)(2))	Cleanout Tag Due (Regulations, § 1772.1, subd. (a)(3))	Remediation Due Date (Regulations, § 1772.1, subd. (b))
0411105471	C. & H. 6	4/1/2020	4/1/2020	4/1/2021
0411105473	C. & H. 8	4/1/2021	4/1/2021	4/1/2022
0411105478	C. & H. 14	4/1/2022	4/1/2022	4/1/2023
0411105472	C. & H. 7	4/1/2022	4/1/2022	4/1/2023
0411105481	Converse 2	4/1/2023	4/1/2023	4/1/2024
0411105474	C. & H. 9	4/1/2023	4/1/2023	4/1/2024
0411105470	C. & H. 5	4/1/2024	4/1/2024	4/1/2025
0411105477	C. & H. 13	4/1/2024	4/1/2024	4/1/2025

Regulations section 1772.1, subdivision (b), provides that operators shall remediate idle wells after failing to successfully perform idle well testing on them, including failing to conduct a successful casing pressure test and cleanout tag consistent with Regulations section 1772.1, subdivisions (a)(2) and (a)(3). The remediation for each of the Wells was due as indicated in the table above. To date, Operator has not remediated any of the Wells. As a result, Operator has failed to comply with the requirements of Regulations section 1772.1, subdivision (b).

In conclusion, the above idle well violations constitute conclusive evidence of desertion and permit the Supervisor to order the Wells be plugged and abandoned. Operator failed to submit a TCWP, comply with the testing benchmarks of the TCWP, and remediate the Wells. (PRC, §§ 3206.1, subd. (e), 3237, subd. (a); Regulations, §§ 1772.1, subds. (a)(2), (b), and (d), 1772.1.4, subds. (a) and (b).)

III. Operator's Required Actions

For the reasons stated herein, CalGEM has determined that the Wells are deserted. Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, **IT IS HEREBY ORDERED** that Operator plug and abandon the Wells, decommission the Facilities, and restore the well site for the Wells consistent with all applicable requirements of PRC sections 3208, 3224, 3228,

3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit CalGEM may issue pursuant to PRC section 3229. Until that work is complete, Operator is ordered to perform remedial work and testing on the Wells as necessary to prevent damage to life, health, property, and natural resources.

IV. 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); 3236.5, subd. (c); 3237, subd. (b).) If this Order is mailed to you, the Director must receive the appeal within (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:

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 property per PRC section 3423. (PRC, § 3356.)

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V. Consequences of Non-Compliance

Failure to comply with Section III (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 authorizes the Supervisor to refer for 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. 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. PRC sections 3236.2 and 3236.3 authorizes the Supervisor to seek 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.

DATED: 10/29/2025

Lindsey Miller

Lindsey Miller
CalGEM Enforcement Chief, on
behalf of the State Oil and Gas
Supervisor