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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, Redbank Oil Co. (Operator) is the "operator" (as defined in PRC, § 3009) and is responsible for the Production Facilities identified on **Attachment A**, incorporated herein (the "Facilities"). As described in more detail below, Operator has not maintained compliance with applicable requirements for operation of 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 1773.1, the Supervisor is ordering Operator to (1) perform remedial work to bring the Facilities into compliance and (2) pay administrative civil penalties 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 Facilities. On or about February 19, 2025, CalGEM conducted inspections of the Facilities where the violations described below were observed and documented in the Edison Field. (Attachments C and D, incorporated herein.)

CalGEM records reflect Operator has not maintained compliance with applicable requirements for operation of 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 Repair Secondary Containment. (Regulations, § 1773.1, subd. (e).)

In the event of a spill, secondary containment protects the surrounding area from contamination. Operators are required to repair all damage to secondary containment immediately. (Regulations, § 1773.1, subd. (e).)

During the inspections on February 19, 2025, CalGEM observed damage to the secondary containment, in violation of Regulations, section 1773.1, subdivision (e), at the following production facilities:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293978	Porter Tank C97277	Central	4566	C97277	Tank
90293979	Unspecified	Central	4567	WD-1	Tank

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

Civil Penalties/Remedial Actions

A. Civil Penalties

Based on the foregoing Alleged Acts and Omissions and pursuant to PRC section 3236.5, by this Order the Supervisor imposes on Operator administrative civil penalties totaling one thousand two hundred eighty dollars (\$1,280.00) for the two violations.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to Repair Secondary Containment; Facility in Environmentally Sensitive Area; Facility in HPZ; Facility in Urban Area; Failed Re-inspection (Regulations, § 1773.1, subd. (e).) 90293978	1	\$600	\$600
Failure to Repair Secondary Containment; Facility in Environmentally Sensitive Area; Facility in HPZ; Facility in Urban Area;	1	\$680	\$680

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Failed Re-inspection (Regulations, § 1773.1, subd. (e).) 90293979		
	Total Civil Penalties:	\$1,280.00

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 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, subdivision (f).

B. <u>Remedial Work</u>

Pursuant to PRC sections 3224 and 3226, the Supervisor hereby orders Operator to complete remedial work to come into compliance with Regulations sections 1773.1, as outlined below in Operator's Required Actions.

III. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3224, 3225, 3226, and 3236.5, and Regulations section 1773.1, **IT IS HEREBY ORDERED** that within 30 days, Operator:

 Pay administrative civil penalties of one thousand two hundred eighty dollars (\$1,280.00)

To remit payment of the civil penalties 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:

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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 1773.1, Operator is required to:
 - a. Repair secondary containment, at the following production facilities, capable of containing liquid for a minimum of 72 hours and capable of containing the equivalent volume of liquid from equipment with largest gross capability within the secondary containment as required in Regulations, section 1773.1:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293978	Porter Tank C97277	Central	4566	C97277	Tank
90293979	Unspecified	Central	4567	WD-1	Tank

Upon performing the required remedial work, please contact CalGEM's Central District via email at CalGEMCentralEnvironmental@conservation.ca.gov.

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).) 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

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.)

V. 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:

12/18/2025

lindsey Miller

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