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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 WELL, DECOMMISSION**
15 **ATTENDANT FACILITIES, AND RESTORE WELL SITE**
16 **NO. 1597**

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18 **Operator: Gasch & Associates (G0829)**

19 **Field: N/A***

20 **Northern District, Yuba County**
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28 *Not located within the administrative bounds of an oil field

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)-(e).) A rebuttable presumption of desertion arises if an operator has failed to comply with an order of the Supervisor. (PRC, § 3237, subd. (a)(3)(C).)

At all relevant times, Gasch & Associates (**Operator**) has been the "operator" (as defined in PRC section 3009) of the idle well described in **Attachment A**, incorporated herein (**the Well**), and the production facilities attendant to the Well (**the Facilities**). As described in more detail below, based on conclusive evidence and a rebuttable presumption of desertion, the Supervisor has determined that Operator has deserted the Well. As a result, Operator is responsible for the plugging and abandonment of the Well, the decommissioning of the Facilities, and the restoration of the well site for the Well. (PRC, § 3237, subd. (c)(1).)

Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, the Supervisor is ordering Operator to plug and abandon the Well, decommission the Facilities, and restore the well site for the Well, consistent with all applicable requirements, including 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 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.

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

3 **II. Conclusive Evidence of Desertion**

4 PRC section 3206.1, subdivision (e), provides that failure “to comply with the
 5 requirements of the regulations implementing this section [e.g., Regulations sections 1772.1,
 6 subdivisions (a) and (b), 1772.1.4, subdivisions (a) and (b),] shall be conclusive evidence of
 7 desertion of the well, permitting the supervisor to order the well abandoned pursuant to
 8 Section 3237.”

9 The Well has been designated as idle by CalGEM on the date outlined in the table
 10 below. Therefore, at all times relevant to this Order, the Well was an idle well as defined in PRC
 11 section 3008, subdivision (d).

API	Well Designation	Idle Start Date
0411520004	Yuba 1	1/1/2020

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 16 Because the Well was an idle well, Operator was required to submit an idle well Testing
 17 Compliance Work Plan (TCWP) and comply with applicable idle well testing requirements or
 18 otherwise pay idle well fees. (PRC, § 3206, subd. (a); Regulations, §§ 1772.1, 1772.1.4.) As
 19 indicated below, Operator failed to submit a TCWP, meet the testing and remediation
 20 requirements, or pay the required idle well fees, providing conclusive evidence that the Well is
 21 deserted. (PRC, §§ 3206, subd. (c), 3206.1, subd. (e).)

22 A. Failure to submit a TCWP (Regulations, § 1772.1.4, subd. (a))

23 Regulations section 1772.1.4, subdivision (a), requires that an operator must submit an
 24 TCWP for all idle wells by June 1, 2019. To date, CalGEM has not received a TCWP from
 25 Operator for the Well in violation of Regulation section 1772.1.4, subdivision (a).

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B. Failure to Meet Idle Well TCWP Benchmarks (Regulations, § 1772.1.4, subds. (a)-(b))

Regulations section 1772.1.4, subdivisions (a) and (b), provide that an operator must meet annual testing benchmarks under a TCWP. The casing pressure testing on the Well, as required by the TCWP, was due starting January 1, 2022, as indicated in the table below. (Regulations, §§ 1772.1, subd. (a)(2), 1772.1.4, subds. (a)-(b).)

API	Designation	Casing Pressure Test Due
0411520004	Yuba 1	1/1/2022

To date, CalGEM has not received evidence of a casing pressure test for the Well in violation of Regulations section 1772.1.4, subdivisions (a) and (b). (**Attachment C**, incorporated herein.)

C. Failure To Conduct Fluid Level Testing (Regulations, § 1772.1, subd. (a)(1))

Within 24 months of a well becoming an idle well, an operator must conduct a fluid-level test for the well. (Regulations § 1772.1, subd. (a)(1).) The fluid level testing for the Well was due as follows:

API	Designation	Fluid Level Due Date
0411520004	Yuba 1	1/1/2022

To date, CalGEM has not received evidence of fluid level testing on the Well in violation of Regulations section 1772.1, subdivision (a)(1). (**Attachment D**, incorporated herein.)

D. Failure To Conduct Casing Pressure Testing (Regulations, § 1772.1, subd. (a)(2))

Within 24 months of a well becoming an idle well, an operator must conduct a casing pressure for the well. (Regulations § 1772.1, subd. (a)(2).) As indicated above, the casing pressure testing for the Well was due starting January 1, 2022. To date, CalGEM has not

received evidence of a casing pressure test for the Well in violation of Regulations section 1772.1, subdivision (a)(2). (**Attachment C**)

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

Within 12 months of failing to conduct a successful casing pressure test or cleanout tag consistent with Regulations sections 1772.1, subdivision (a)(2) and (3), and 1772.1.4, subdivisions (a) and (b), an operator must do one of the following: (1) bring the well into compliance, (2) partially plug and abandon the well in accordance with Regulations section 1752, (3) plug and abandon the well in accordance with PRC section 3208, or (4) schedule the well for plugging and abandonment under an approved Idle Well Management Plan or an approved Testing Waiver Plan. (Regulations, § 1772.1, subd. (b).)

To date, CalGEM has not received evidence of a successful casing pressure test for the Well. Therefore, Operator was required to perform remedial action in accordance with Regulations section 1772.1, subdivision (b). The applicable testing and remediation due dates for the Well are as follows:

API	Well Designation	Test type	Test due date	Remediation due date
0411520004	Yuba 1	Casing Pressure Test	1/1/2022	1/1/2023

To date, Operator has not remediated the Well as required in violation of Regulations section 1772.1, subdivision (b). (**Attachment E**, incorporated herein.)

F. Failure To Pay Idle Well Fees (PRC, § 3206, subd. (a))

Following the process for idle well management set forth in PRC section 3206, subdivision (a), Operator did not submit an idle well TCWP in lieu of paying idle well fees. Operator was therefore required to pay an idle well fee for the Well that was idle as of January 1, 2020, as provided in **Attachments F** and **G**. (PRC, 3206, subd. (a).) As of the date of this Order, Operator has not paid its idle well fees for the Well required by PRC section 3206.

1 In conclusion, the above idle well violations constitute conclusive evidence of desertion
 2 and permit the Supervisor to order the Well to be plugged and abandoned. Operator failed to
 3 submit a TCWP, comply with the testing benchmarks of the TCWP, conduct idle well testing,
 4 remediate the Well, and pay idle well fees, as required. (PRC, §§ 3206, subd. (a), 3206.1, subd.
 5 (e), 3237, subd. (a); Regulations, §§ 1772.1, subds. (a)(1)-(2), (b), and (d), 1772.1.4, subd. (b).)

6 **III. Rebuttable Presumption of Desertion**

7 A rebuttable presumption of desertion arises if an operator has failed to comply with an
 8 order of the supervisor within the time provided by the order or has failed to challenge the
 9 order on a timely basis. (PRC, § 3237, subd. (a)(3)(C).) On March 16, 2022, CalGEM issued
 10 Order to Pay a Civil Penalty, No. 1243, to Operator for failure to submit a pipeline
 11 management plan. The order was not appealed by Operator and became final on March 31,
 12 2022. (**Attachment H**, incorporated herein.) Order No. 1243 required Operator to:

- 13 1) Submit a pipeline management plan in accordance with Regulations section
- 14 1774.2; and
- 15 2) Pay a civil penalty in the amount of five hundred dollars (\$500.00).

16 CalGEM notified Operator of non-compliance with Order No. 1243 in a letter dated
 17 April 28, 2022. (**Attachment I**, incorporated herein.) Operator's failure to comply with Order No.
 18 1243 provides a rebuttable presumption of desertion. (PRC, § 3237, subd. (a)(3)(C).)

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

20 For the reasons stated herein, CalGEM has determined that the Well is deserted.
 21 Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, **IT IS HEREBY ORDERED**
 22 that Operator plug and abandon the Well, decommission the Facilities, and restore the well
 23 site for the Well consistent with all applicable requirements of PRC sections 3208, 3224, 3228,
 24 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760,
 25 1775, and 1776; and the conditions included in any permit CalGEM may issue pursuant to PRC
 26 section 3229. Until that work is complete, Operator is ordered to perform remedial work and
 27 testing on the Well as necessary to prevent damage to life, health, property, and natural
 28 resources.

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); 3236.5, subd. (c); 3237, subd. (b).) 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

Alternatively, a written notice of appeal may be sent 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 property per PRC section 3423. (PRC, § 3356.)

VI. Consequences of Non-Compliance

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 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

1 any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to
2 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the
3 PRC or any regulation that implements those statutes, and the Supervisor may in the future
4 impose further civil penalties based on the facts and omissions underlying this Order. PRC
5 section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or
6 the decommissioning of a production facility if an operator has failed to comply with an order
7 of the Supervisor within the time provided by the order or has failed to challenge the order on
8 a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an
9 order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct
10 offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right to take
11 further enforcement actions. PRC sections 3236.2 and 3236.3 authorizes the Supervisor to seek
12 civil penalties and injunctive relief for failure to comply with an order or for violation of any
13 provision in Chapter 1 of Division 3 of the PRC or any regulation that implements those statutes.

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DATED: 2/12/2026

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