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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 REABANDON WELL**
15 **"CARDOX 10", API: 0402520021**
16 **NO. 1662**
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18 **Operator: Cardox Corporation**

19 **Field: N/A**

20 **District: Southern**

21 **County: Imperial**
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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 designate a well as hazardous if the well poses a danger to "life, health, or natural resources and has been abandoned in accordance with the requirements of the division in effect at the time of the abandonment 15 or more years before the date of the supervisor's determination that it poses such a danger." (PRC, § 3251.5.) The Supervisor is then authorized to "order to be carried out, or may undertake" operations, including reabandonment and other remedies, on hazardous wells. (PRC, § 3255, subd. (a).)

By issuance of this order, the Supervisor has designated the well "Cardox 10", API 0402520021 (**Well**), as a "hazardous well" (PRC, § 3251.5) and authorizes CalGEM to remediate the Well and attempt reabandonment of the Well.

II. Summary

Based on CalGEM's records, the National Dry Ice Corporation (NDIC) began drilling the Well in March 1940. The well was then plugged and abandoned on November 1, 1940, with abandonment operations approved by the Division on November 12, 1940. On June 10, 1943, NDIC submitted a Notice of Intention (NOI) to deepen the Well. Operations to deepen the well commenced on June 27, 1943. On December 10, 1943, NDIC submitted a NOI to abandon Well. On January 10, 1944, the Supervisor sent a letter to NDIC's agent stating that the requirements of the Division had been fulfilled. On March 8, 1951, Cardox Corporation acquired the Well. According to the California Secretary of State, Cardox Corporation was terminated on January 2, 1988.

On May 7, 2026, Controlled Thermal Resources (CTR), the current property owner, reported to CalGEM that the Well was leaking gas and water. CalGEM staff observed the Well leaking fluid and methane gas on or around May 11, 2026.

CalGEM does not have records identifying an "operator" (as defined in PRC, § 3009) of the Well after the Supervisor's January 10, 1944, letter to NDIC's agent stating that the

requirements of the Division had been fulfilled. CalGEM's limited records indicate that the Well remained abandoned since that time. The Supervisor, as indicated below, has determined that the Well is a "hazardous well" (as defined by PRC, § 3251.5) which poses a present danger to life, health, or natural resources, and has been abandoned over 15 years in accordance with the then-applicable standards.

III. Hazardous Well Determination

The Supervisor may conclusively determine that a well constitutes a "hazardous well" based on the existence of a potential danger to life, health, or natural resources and in the event that the well has been abandoned over 15 years prior and in accordance with then-applicable requirements. (PRC, § 3251.5.) The supervisor may then order or otherwise undertake plugging and reabandonment, in accordance with PRC sections 3224 and 3250. The Supervisor has determined that immediate action is necessary to protect life, health, property, and natural resources since the Well is leaking gas and water and is in an unsecured location accessible by the public. CalGEM records reflect that the Well was abandoned in accordance with then-applicable requirements from 1944, and there is no known successor-in-interest to the last known Operator. The Supervisor may therefore determine that the Well is a hazardous well eligible for plugging and reabandonment, and other related measures, at their discretion.

IV. Ordered Actions

For the reasons stated herein, CalGEM has determined that the Well is a hazardous well per PRC sections 3250 and 3251.5. Therefore, pursuant to PRC sections 3106, 3224, 3226, 3237, 3250, and 3251.5, **IT IS HEREBY ORDERED** that Cardox Corporation attempt to plug and reabandon the Well and perform mitigation work and testing, as necessary, to limit further damage to life, health, property, and natural resources while that attempt to plug and reabandon the Well is underway.

V. Operator's Appeal Rights

Any party claiming to be an Operator of the well 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).) 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 a claimed Operator files a timely written notice of appeal, they will be informed of the appeal hearing date, time, and place. Following the hearing, the claimant will receive a written decision that affirms, sets aside, or modifies the appealed order. Any costs incurred by CalGEM under this order (which may include penalties and interest) may constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, § 3356.)

DATED: 7/30/2026

Doug Ito

Doug Ito
State Oil and Gas Supervisor