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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 SITES**
16 **NO. 1664**
17

18 **Operator: Bridgeland Resources, LLC (11583)**
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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 timely pay required annual fees for any idle well is conclusive evidence of desertion. (PRC, § 3206, subds. (a) and (c).) An operator's failure to comply with idle well testing and management requirements for any idle well is conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

At all relevant times, Bridgeland Resources, LLC (**Operator**) was the "operator" (as defined in PRC section 3009) of the 69 wells identified on **Attachment A**, incorporated herein (the **Wells**), and is responsible (as specified in PRC section 3237, subdivision (c)(1)) for the plugging and abandonment of the Wells, the decommissioning of the production facilities attendant to the Wells (the **Facilities**), and the restoration of the well sites for the Wells. CalGEM records indicate that, under applicable provisions of PRC sections 3206, 3206.1, and 3237, Operator has demonstrated evidence of desertion of the Wells and Facilities in its failure to comply with multiple provisions of the Public Resources Code and Regulations, including failures to comply with idle well fee requirements and failures to comply with idle well testing and maintenance requirements. Based on these ongoing failures to comply with the Public Resources Code and Regulations, the Supervisor has determined that the Wells and the Facilities are deserted.

Therefore, pursuant to PRC sections 3106, 3206, 3206.1, 3224, 3226, and 3237, and as set forth below, the Supervisor is ordering Operator to plug and abandon the Wells, to decommission the Facilities, and to restore the well sites 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. Conclusive Evidence of Desertion

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. At all times relevant to this order, the Wells were idle wells as defined in PRC section 3008, subdivision (d).

A. Failure to Pay Idle Well Fees (PRC, § 3206, subd. (a))

As the operator of the Wells, following the process for idle well management set forth in PRC section 3206, subdivision (a), Operator submitted an Idle Well Management Plan in lieu of paying 2024 idle well fees. However, the Supervisor determined that Operator failed to eliminate the number of long-term idle wells required under the Plan and on February 25, 2025, issued a Notice of Cancellation of the Plan (Notice). This Notice became final on March 12, 2025. Operator was thereafter required to pay an idle well fee for each of its wells that were idle in 2024 by May 1, 2025, and idle in 2025 by May 1, 2026, respectively. (PRC, § 3206, subds. (a) & (a)(2)(B)(v).) (**Attachments C and D**, incorporated herein.) As of the date of this order, Operator has not paid its idle well fees for the Wells which were idle in 2024 and 2025.

Operator's failure to pay the required idle well fees for the Wells is conclusive evidence of desertion. (PRC, § 3206, subd. (c).)

B. Failure to Complete Idle Well Testing (Regulations, § 1772.1, subds. (a)(2); (a)(3))

As the operator of the Wells, Operator was required to comply with casing pressure testing requirements for the Wells, as required by Regulations section 1772.1, subdivision (a)(2), and clean out tag requirements for the Wells, as required by Regulations section 1772.1, subdivision (a)(3). Operator failed to comply with casing pressure testing requirements at 56 of the Wells and failed to comply with clean out tag requirements at 60 of the Wells. Most of this testing was required as part of an Idle Well Testing Compliance Work Plan; Operator was

required to perform casing pressure testing on 51 of the Wells and a clean out tag on 51 of the Wells in accordance with Regulations section 1722.1.4 and the annual benchmarks outlined in subdivision (b). Between December 2022 and July 2026, CalGEM issued nine Notices of Violation to Operator regarding its outstanding failures to perform casing pressure testing and clean out tags on the Wells, and failures to meet annual benchmarks under a Testing Compliance Work Plan. To date, Operator has not performed casing pressure testing or clean out tags on any of the Wells due for testing, and remains out of compliance with Regulations sections 1772.1, subdivisions (a)(2) and (a)(3) and section 1772.1.4.

Operator's failure to perform casing pressure testing and clean out tags on the Wells is conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

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

56 of the Wells are overdue for remediation following Operator's failure to perform successful idle well testing in accordance with Regulations section 1772.1, subdivision (b). Within 12 months of failing to conduct a successful casing pressure test or cleanout tag on each well pursuant to Regulations section 1772.1, subdivisions (a)(2) or (a)(3), Operator was required to do one of the following: (1) bring the Wells into compliance with idle well testing requirements, (2) partially plug and abandon the Wells in accordance with Regulations section 1752, (3) plug and abandon the Wells in accordance with PRC section 3208, or (4) schedule the Wells for plugging and abandonment under an approved Idle Well Management Plan or an approved Testing Waiver Plan. (Regulations, § 1772.1, subd. (b).), and Operator failed to do so. Between November 2022 and July 2026, CalGEM issued six Notices of Violation to Operator regarding its outstanding failures to remediate after unsuccessful idle well testing. To date, Operator has not remediated any of the 56 Wells, and remains out of compliance with Regulations section 1772.1, subdivision (b).

Operator's failure to remediate after unsuccessful idle well testing of the Wells is conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

1 D. Failure to Conduct Fluid Level Testing (Regulations, § 1772.1, subdivision (a)(1))

2 As the operator of the Wells, Operator was required to comply with fluid level testing
3 requirements for the Wells, as required by Regulations section 1772.1, subdivision (a)(1).
4 Operator failed to comply with fluid level testing requirements for 58 of the Wells which are
5 due for testing. Between September 2022 and June 2026, CalGEM issued four Notices of
6 Violation to Operator regarding its outstanding failures to perform fluid level testing on the
7 Wells. To date, CalGEM has not received records of fluid level testing at any of the Wells from
8 Operator.

9 Operator's failure to comply with fluid level testing requirements for the Wells is
10 conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

11 E. Failure to Submit Engineering Analysis (Regulations, § 1772.1.2)

12 As the operator of the Wells, Operator was required to submit an engineering analysis
13 for each of the Wells which has been idle for 15 years, as required by Regulations section
14 1772.1.2. Operator failed to submit engineering analyses for 40 of the Wells for which analyses
15 are due. Between July 2022 and July 2026, CalGEM issued three Notices of Violation to
16 Operator regarding its outstanding failures to submit engineering analyses for the Wells. To
17 date, CalGEM has not received an engineering analysis for any of the Wells from Operator.

18 Operator's failure to comply with 15-year engineering analysis submittal requirements
19 for the Wells is conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

20 **III. Operator's Required Actions**

21 For the reasons stated herein, CalGEM has determined that the Wells are deserted.
22 Therefore, pursuant to PRC sections 3106, 3206, 3206.1, 3224, 3226, and 3237, **IT IS HEREBY**
23 **ORDERED** that Operator plug and abandon the Wells, decommission the Facilities, and restore
24 the well site for the Wells consistent with all applicable requirements of PRC sections 3208,
25 3224, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through
26 1724.1, 1760, 1775, and 1776; and the conditions included in any permit CalGEM may issue
27 pursuant to PRC section 3229. Until that work is complete, Operator is ordered to perform
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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.)

V. Consequences of Noncompliance

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.

DATED: 8/3/2026

Doug Ito

Doug Ito
State Oil and Gas Supervisor