

1 Department of Conservation, Geologic Energy Management Division
Doug Ito
2 STATE OIL AND GAS SUPERVISOR
715 P Street, MS 19-06 (Legal Office)
3 Sacramento, California 95814
Telephone (916) 323-6733
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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 PAY A CIVIL PENALTY AND PERFORM REMEDIAL WORK**
15 **NO. 1682**
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18 **Operator: L P Oil Company, Inc. (L0150)**

19 **Field Name: Edison**

20 **County: Kern**
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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, L P Oil Company, Inc. (**Operator**) is the "operator" (as defined in PRC, § 3009) and is responsible for the Wells and associated Production Facilities identified on **Attachment A**, incorporated herein (the "**Wells**" and "**Facilities**"). As described in more detail below, Operator has not maintained compliance with applicable requirements for operation of the Wells and 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 sections 1722, 1773.3, 1775 and 1777, the Supervisor is ordering Operator to (1) perform remedial work to bring the Wells and Facilities into compliance and (2) pay an administrative civil penalty 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 Wells and Facilities. On or about April 9, 2026 and July 28, 2026, CalGEM conducted inspections of the Wells and Facilities where the violations described below were observed and documented in the Edison Field. (**Attachments C, D, E, and F**, incorporated herein.)

CalGEM records reflect Operator has not maintained compliance with applicable requirements for operation of the Wells and 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 maintain well in good condition (Regulations § 1722, subd. (a).)

Operators are required to conduct operations in accordance with good oilfield practice. (Regulations, § 1722, subd. (a).)

During the inspection, CalGEM observed weeds around the well that can pose a fire hazard (**Attachment C**, incorporated herein), in violation of Regulations, section 1722, subdivision (a):

API	Well Designation
0402906468	Lawson-Bennet 3-49

As of the date of this Order, CalGEM does not have any records from Operator demonstrating that the violation has been corrected.

B. Failure to Properly Identify Tank. (Regulations, § 1773.3, subd. (a).)

Operators are required to properly identify tanks with tank identification number, tank type (production, stock, water, etc.) and with appropriate material hazard placards or labels. (Regulations, § 1773.3, subd. (a).)

During the inspection, CalGEM observed the tank type label missing or inadequate (**Attachment D**, incorporated herein), in violation of Regulations, section 1773.3, subdivision (a), at the following production facilities:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293231	E.P. Fee Tank Setting	Central	14964	2GK19	Tank

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

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C. Failure to remove oilfield waste and refuse. (Regulations §§ 1775, subd. (a) and (c).)

Oilfield waste shall be disposed of in such a manner as not to cause damage to life, health, property, freshwater aquifers or surface waters, or natural resources, or be a menace to public safety. (Regulations, § 1775, subd. (a).) Unused equipment and scrap attendant to oilfield operations shall be removed or stored in such a manner from a production or injection operations so as to prevent damage to life, health, or property, or become a public nuisance or a menace to public safety. (Regulations, § 1775, subd. (c).).

During the inspection, CalGEM observed oilfield waste and refuse that had not been properly disposed of (**Attachment C**, incorporated herein), in violation of Regulations, sections 1775, subdivision (a) and (c), at the following wells and production facilities:

API	Well Designation
0402906468	Lawson-Bennet 3-49
0402906466	Lawson-Bennet 3-38

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293956	Lawson-Bennett Tank Setting	Central	10780	1002	Tank

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

D. Failure to maintain bolts on wellhead. (Regulations § 1777, subd. (a).)

The wellhead is equipment secured to the upper part of a well, located above the casing and is held in place by a series of bolts. Damaged or missing bolts on the wellhead may lead to leaking around the wellhead. Production facilities include wellheads. (PRC, § 3010; Regulations, § 1760, subd. (r).) Operators are required to maintain production facilities in good condition and in a manner to prevent leakage or corrosion and to safeguard life, health, property, and natural resources and conduct operations in accordance with good oilfield practices. (Regulations, §§ 1722, subd. (a); 1777, subd. (a).)

During the inspection, CalGEM observed bolts missing from the wellheads at the following wells (**Attachments C and D**, incorporated herein), in violation of Regulations, section 1777, subdivision (a):

API	Well Designation
0402900370	E.P. Fee 2
0402906465	Lawson-Bennet 3-37

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

E. Failure to remove weeds and/or debris from secondary containment. (Regulations § 1777, subd. (c)(2).)

In the event of a spill, secondary containment protects the surrounding area from contamination. Required maintenance of production facilities includes removal of weeds and debris from secondary containment areas. (Regulations, § 1777, subd. (c)(2).) Weeds and debris can: (1) obstruct view of the secondary containment, which can make detection of compromised secondary containment difficult; (2) present a fire hazard; and (3) can compromise containment integrity and capacity.

During the inspection(s), CalGEM observed weeds and/or debris on or in the secondary containment (**Attachment E**, incorporated herein), in violation of Regulations, section 1777, subdivision (c)(2), at the following production facilities:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293823	Howard-Kirschmann Tank Setting	Central	3360	1001	Tank

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

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F. Failure to Submit Tank Testing Data. (Regulations, § 1777.3, subd. (c).)

Documentation shall be available for review by the Supervisor or his or her representative and maintained at the operator's local office at all times during regular business hours. If the operator does not have a local office, copies of the documentation shall be sent to the local Division district office upon request.

Operator failed to submit tank testing data (**Attachment F**, incorporated herein), in violation of Regulations, section 1777.3, subd. (c), at the following tanks:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293956	Lawson-Bennet Tank Setting	Central	10778	750	Tank
90293956	Lawson-Bennet Tank Setting	Central	10779	1001	Tank
90293956	Lawson-Bennet Tank Setting	Central	10780	1002	Tank
90293842	Edison Securities Co. Tank Setting	Central	12950	465	Tank
90293842	Edison Securities Co. Tank Setting	Central	12951	466	Tank
90293823	Howard-Kirshemann Tank Setting	Central	3360	1001	Tank
90293231	E.P. Fee Tank Setting	Central	3361	2GK21	Tank
90293231	E.P. Fee Tank Setting	Central	3362	2GK20	Tank

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

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III. Civil Penalty/Remedial Work

A. Civil Penalty

Based on the foregoing Alleged Acts and Omissions and pursuant to PRC section 3236.5, by this Order the Supervisor imposes on Operator an administrative civil penalty totaling ten thousand five hundred dollars (\$10,500.00) for the 17 violations.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to maintain well in good condition (Regulations, § 1722, subd. (a).) 0402906468	1	\$600	\$600
Failure to properly identify tank (Regulations, § 1773.3, subd. (a).) 14964	2	\$300	\$600
Failure to remove oilfield waste and refuse (Regulations, § 1775, subd. (a) and (c).) 10780 0402906468 0402906466	3	\$600	\$1,800
Failure to maintain bolts on wellhead. (Regulations, § 1777, subd. (a).) 0402900370 0402906465	2	\$450	\$900
Failure to remove weeds and/or debris from secondary containment (Regulations, § 1777, subd. and (c)(2).) 3360	1	\$600	\$600
Failure to submit tank testing data (Regulations, § 1777.3, subd. (c).) 10778 10779 10780 12950 12951 3360 3361 3362	8	\$750	\$6,000

		Total Civil Penalty:	\$10,500
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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 Wells and tanks are inside a health protection zone, as defined by Regulations section 1765.1, subdivision (b).

B. Remedial Work

Pursuant to PRC sections 3224 and 3226, the Supervisor hereby orders Operator to complete remedial work to come into compliance with Regulations sections 1722, 1773.3, 1775 and 1777, as outlined below in Operator's Required Actions.

IV. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3224, 3225, 3226, and 3236.5, and Regulations sections 1722, 1773.3, 1775 and 1777, **IT IS HEREBY ORDERED** that within 30 days, Operator:

- 1) Pay an administrative civil penalty of ten thousand five hundred dollars (\$10,500.00); and

To remit payment of the civil penalty 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:

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.

1) In accordance with PRC section 3224 and Regulations sections 1722, 1773.3, 1775 and 1777 Operator is required to:

a. Remove weeds around Wells, per Regulations, section 1722, subdivision

(a):

API	Well Designation
0402906468	Lawson-Bennet 3-49

b. Properly identify tank, per Regulations, section 1773.3, subdivision (a):

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293231	E.P. Fee Tank Setting	Central	14964	2GK19	Tank

c. Properly dispose of oilfield waste and refuse, per Regulations, section 1775, subdivisions (a) and (c), at the following wells and production facilities:

API	Well Designation
0402906468	Lawson-Bennet 3-49
0402906466	Lawson-Bennet 3-38

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293956	Lawson-Bennett Tank Setting	Central	10780	1002	Tank

d. Replace all missing and/or damaged bolts from the wellheads, per Regulations, section 1777, subdivision (a), at the following Wells:

API	Well Designation
0402900370	E.P. Fee 2
0402906465	Lawson-Bennet 3-37

- e. Remove weeds and/or debris from secondary containment, per Regulations, section 1777, subdivision (c)(2), at the following production facility:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293823	Howard-Kirschmann Tank Setting	Central	3360	1001	Tank

- f. Submit tank testing data, per Regulations, section 1777.3, subdivision (c), at the following production facilities:

Facility Setting ID	Facility Setting Name	District	Facility (Component) ID	Facility (Component) Name	Facility (Component) Type
90293956	Lawson-Bennet Tank Setting	Central	10778	750	Tank
90293956	Lawson-Bennet Tank Setting	Central	10779	1001	Tank
90293956	Lawson-Bennet Tank Setting	Central	10780	1002	Tank
90293842	Edison Securities Co. Tank Setting	Central	12950	465	Tank
90293842	Edison Securities Co. Tank Setting	Central	12951	466	Tank
90293823	Howard-Kirschmann Tank Setting	Central	3360	1001	Tank
90293231	E.P. Fee Tank Setting	Central	3361	2GK21	Tank
90293231	E.P. Fee Tank Setting	Central	3362	2GK20	Tank

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

3 **V. Operator's Appeal Rights**

4 Operator may appeal this Order by filing a timely written notice of appeal with the
5 Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing
6 with PRC section 3350. (PRC, § 3225, subd. (d).) If this Order is mailed to you, the Director must
7 receive the appeal within fifteen (15) days from the date the Supervisor mails the Order. To file
8 an appeal, a written notice of appeal may be sent via U.S. mail to:

9 Department of Conservation
10 Director's Office of Appeals
715 P Street, MS 19-06 (Legal Office, Chief Counsel)
11 Sacramento, California 95814

12 Or via electronic mail to:

13 OfficeofAppeals@conservation.ca.gov

14 If Operator files a timely written notice of appeal, Operator will be informed of the
15 appeal hearing date, time, and place. Following the hearing, Operator will receive a written
16 decision that affirms, sets aside, or modifies the appealed order.

17 If Operator does not file a timely written notice of appeal, or if the Order is affirmed
18 following an appeal, this Order will become a final order and CalGEM may contract for
19 performance of the work, pursuant to PRC section 3226, if, within 30 days of this Order,
20 Operator has not, in good faith, commenced the work ordered. Any costs incurred by
21 CalGEM to obtain compliance with this Order (which may include penalties and interest) will
22 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
23 3356.)

24 **VI. Other Potential Actions to Enforce This Order**

25 Failure to comply with Section IV (Operator's Required Actions) of this Order could
26 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for
27 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the
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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: 9/28/2026

Doug Ito

Doug Ito
State Oil and Gas Supervisor