

1 Department of Conservation, Division of Oil, Gas, and Geothermal Resources  
2 STATE OIL AND GAS SUPERVISOR  
3 801 K Street, MS 24-03 (Legal Office)  
4 Sacramento, California 95814-3530  
5 Telephone (916) 323-6733  
6 Facsimile (916) 445-9916

7 **STATE OF CALIFORNIA**  
8 **NATURAL RESOURCES AGENCY**  
9 **DEPARTMENT OF CONSERVATION**  
10 **DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES**

11 **ORDER TO INSPECT WELL AND ATTENDANT**  
12 **PRODUCTION FACILITIES**  
13 **TO PREVENT DAMAGE TO LIFE, HEALTH,**  
14 **PROPERTY, AND NATURAL RESOURCES, AND**  
15 **PREPARE AND SUBMIT REPORT**

16 **NO. 1113**

17 **Dated: April 11, 2016**

18 **Operator: Rincon Island Limited Partnership**

19 **BY**

20 **Kenneth A. Harris Jr.**

21 **STATE OIL AND GAS SUPERVISOR**

1 **I. Introduction**

2  
3 Pursuant to Public Resources Code section 3224, the State's Oil and Gas  
4 Supervisor (Supervisor) may order tests to prevent damage to life, health, property and  
5 natural resources.

6 **Rincon Island Limited Partnership (RILP)** (hereinafter, "Operator") is the  
7 "operator," as defined in Public Resources Code section 3009, of "Well 102" (also  
8 identified as API number 21101653), located near Rincon Island, situated in Ventura  
9 County, California. Well 102 is under the custody and control of RILP as part of its lease  
10 of state lands from the California State Lands Commission, by way of lease PRC 1466.  
11 Based on the credible evidence described in section IV below, the Supervisor in the  
12 exercise of his judgment, is ordering RILP to conduct certain tests and inspections  
13 regarding Well 102 and attendant infrastructure (e.g., wellhead, production lines) in order  
14 to prevent possible damage to life, health, property and natural resources.

15  
16 **II. Definitions**

17  
18 **"Operator"** means "a person who, by virtue of ownership, or under the authority  
19 of a lease or any other agreement, has the right to drill, operate, maintain, or control a  
20 well or production facility." (Pub. Resources Code, § 3009.)

21 **"Long-term idle well"** means a well that has not produced oil or natural gas, or  
22 been used for injection, for six consecutive months during the last 10 (ten) or more years.  
23 (Pub. Resources Code, § 3008, subd. (e).)

24 **"Production facility"** means any equipment attendant to oil and gas production or  
25 injection operations. (Pub. Resources Code, § 3010.)

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 0
- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8

**Title 14 of the California Code of Regulations, section 1724.4, subdivision (d)** requires operators to maintain and make available to the Division records pertinent to the status and history of any well safety device installed in any well, and the records of inspections, tests, and replacements thereof.

#### IV. Facts

RILP operates wells within State lease PRC1466. Well 102 is a long-term idle well within State Lease 1466, and is a well submerged under ocean waters within the jurisdiction of the State, and situated on the floor of the Pacific Ocean approximately 3000 feet from Rincon Island, in Ventura County, California, at Latitude 34.348785 and Longitude -119.456116.

The American Petroleum Institute ("API") number assigned to Well 102 is 21101653.

Well 102 was drilled in 1961 by a predecessor in interest to RILP for the well. RILP acquired Well 102 on November 1, 1996.

Based on information and belief, the wellhead for Well 102 was damaged sometime prior to 1990 by commercial fishing operations. Also based on information and belief, at no time since 1990 has any part of Well 102 been the subject of any inspection. Also based on information and belief, production lines may run from the wellhead to Rincon Island. Also based on information and belief, a "basket-style shroud" may exist on the wellhead for Well 102.

The wellhead and any production lines for Well 102 exist in a submerged marine environment. The potential exists for leakage from the well, wellhead, or production lines to occur, and that such leakage would not immediately be noticed or identified by the

1 Operator, Division staff, or the public.

2 The Division's records do not reflect that at any time since the date RILP acquired  
3 Well 102 has the Operator inspected the well, the wellhead, the production lines, or the  
4 area on the ocean floor near and around the wellhead or production lines.

5  
6 **V. Operator's Required Actions**

7  
8 For the reasons stated above, **IT IS HEREBY ORDERED**, pursuant to Public  
9 Resources Code sections 3106, subdivision (a), 3224, and 3225, that **Operator shall, on**  
10 **or before June 1, 2016:**

11  
12 **A.** Conduct an inspection of the ocean floor near and around (i.e., within a one  
13 hundred (100) foot radius) of Well 102;

14  
15 **B.** Conduct inspection of the wellhead for Well 102;

16  
17 **C.** Conduct inspection of any production lines attached to Well 102;

18  
19 **D.** Conduct an inspection of the ocean floor near and around (i.e., fifty (50) feet on  
20 either side) any production lines attached to Well 102;

21  
22 **E.** Provide the Supervisor with the pipeline management plan containing  
23 information on the production lines attached to Well 102, pursuant to Title 14 of  
24 the California Code of Regulations, section 1774.2; and, provide the Supervisor  
25 with the preventative maintenance program plan required by Title 14 of the

1 California Code of Regulations, section 1777, subdivision (b);

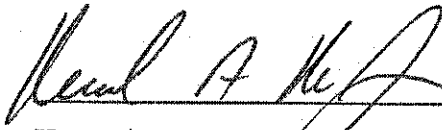
2  
3 **F.** Provide the Supervisor with copies of all records (pertinent to Well 102 and  
4 attendant production facilities to Well 102) of maintenance, repairs, test, and  
5 inspections, in accordance with Public Resources Code section 3270, subdivision  
6 (d) and Title 14 of the California Code of Regulations, section 1724.4, subdivision  
7 (d), and as required by this Order pursuant to Title 14 of the California Code of  
8 Regulations, section 1724.4, subdivision (d), if applicable.

9  
10 **G.** Prepare and submit to the Supervisor a report describing the findings made  
11 during the above-noted inspections, including but not limited to, the condition of  
12 the ocean environment in the area near and around Well 102, the condition of the  
13 wellhead for Well 102, the condition of any production lines attached to Well 102,  
14 and the condition of any "basket-style shroud" or any other protective equipment  
15 or infrastructure found on or near the wellhead for Well 102. The report must  
16 include (a) photographic imagery of the area near and around Well 102 and the  
17 wellhead for Well 102, (b) video-graphic imagery of the area near and around  
18 Well 102 and the wellhead for Well 102, and (c) a description of any remedial,  
19 repair or removal work potentially needed for the wellhead and production lines  
20 for Well 102 to maintain the well in good condition and in a manner to prevent  
21 leakage or corrosion, and to generally safeguard life, health, property, and natural  
22 resources (as required by Title 14, California Code of regulations, section 1777,  
23 subdivision (a)). The report must be reviewed and/or prepared by a physical  
24 engineer certified and licensed by the State of California.

1  
2  
3 **VI. Operator's Right to Appeal**

4 Operator may appeal this Order by filing a written notice of appeal with the  
5 Director of the California Department of Conservation as described in Article 6 (Appeals  
6 and Review) of Division 3 of the Public Resources Code, commencing with Public  
7 Resources Code section 3350. (see also, Pub. Resources Code, § 3225, subd. (d).)  
8 Failure to timely file a notice of appeal will waive Operator's right to challenge this  
9 Order. If not timely appealed, this Order will become final. When the order becomes  
10 final, the required actions become due, as described above in Section "V." (Operator's  
11 Required Actions). If Operator timely files a notice of appeal, the Director will inform  
12 the Operator of the appeal hearing date, time, and place. Following the hearing, Operator  
13 will receive a written decision that affirms, sets aside, or modifies the Order.

14 DATED: April 11, 2016

15   
16 Kenneth A. Harris Jr.  
17 State Oil and Gas Supervisor  
18  
19

20 Cert. mail. rec. no.: 70132250000090103841  
21  
22  
23  
24

## PROOF OF SERVICE BY CERTIFIED U.S. MAIL

- 1) I am at least 18 years of age, not a party to this action, and I am a resident of or employed in the county where the mailing took place.
- 2) My business address is: Department of Conservation, Division of Oil, Gas, and Geothermal Resources, Headquarters, 801 K Street, MS 18-05, Sacramento, CA 95814-3530

- 3) I served a copy of the following documents:

**ORDER TO INSPECT WELL AND ATTENDANT PRODUCTION FACILITIES  
TO PREVENT DAMAGE TO LIFE, HEALTH, PROPERTY, AND NATURAL  
RESOURCES, AND PREPARE AND SUBMIT REPORT ORDER NO. 1113**

by enclosing them in an envelope and placing the envelope for collection and mailing by certified U.S. mail on the date and at the place shown in item 4 following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service in a sealed envelope with postage fully prepaid.

- 4) The envelope was addressed and mailed as follows:

- a. Name of person served:

Ms. Susan Whalen, Agent  
Rincon Island Limited Partnership

- b. Address:

5750 W. Pacific Coast Hwy.  
Ventura, CA 93001-9748

- c. Date mailed: April 11, 2016

- d. Place of mailing: Sacramento, California

- 5) I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: 4/11/16

Name: DANA Colmaugh

Signature: [Handwritten Signature]