



NOTICE OF VIOLATION

August 17, 2020

NOV: V20-0231

WellSTAR Compliance ID: 12205254

Mr. Joseph Cobb
Berry Petroleum Company, LLC
11117 River Run Blvd
Bakersfield, CA 93311

VIOLATION: SURFACE EXPRESSION

FIELD: Midway Sunset; **LEASE:** Southwestern; SEC. 2 T.31S R.22E

DATE OF SURFACE EXPRESSION: August 15, 2020

INSPECTOR: Allan Koch

Reference: Public Resources Code (PRC) section 3106, subdivision (a); California Code of Regulations (CCR), title 14, sections 1724.11, 1724.6, 1724.7, and 1724.10

Dear Mr. Cobb:

On August 15, 2020, Berry Petroleum Company, LLC (Berry) reported a surface expression that occurred on the "Southwestern" lease at 35.25438, -119.5824 within Section 2 T31S/R22E in the Midway Sunset Oilfield to both the Geologic Energy Management Division (CalGEM) and California Governor's Office of Emergency Services (CalOES) OES # 20-4392 (Exhibit A). **This surface expression is a violation of, at least, CCR section 1724.11, subdivision (a).**

On August 15, 2020, CalGEM staff visited the site (Exhibit B). **The surface expression at 35.25438, -119.5824 within Section 2 T31S/R22E in the Midway Sunset Oilfield is a violation and needs to be stopped.**

All surface expressions are violations and Berry must stop the continued flow of all expressions and work to ensure the absence of reoccurrences. As such, the Acting State Oil and Gas Supervisor requires Berry to perform the following required actions to begin to address the occurrence of the surface expression at the "Southwestern" lease at 35.25438, -119.5824 within Section 2 T31S/R22E in the Midway Sunset Oilfield:

1. Meet with the Division within 30 days of the date of this letter to present a root cause analysis of the surface expression, diagnostic testing performed, and corrective actions taken to prevent future surface expressions.

2. Per CCR section 1724.11 subdivision (d), immediately implement a minimum 300 feet steam restriction radius around the August 15, 2020 surface expression. If the surface expression continues to flow for more than five days, then the operator shall immediately implement a minimum 600 feet steam restriction radius around the surface expression.

Furthermore, per CCR section 1724.11 subdivision (d), if the surface expression(s) continue to flow for more than 10 days, then the Division has the authority to expand the radius around the surface expression within which injection shall cease. The Division will determine the expanded radius based on consideration of the flow rate of the surface expression, geologic factors, and operational parameters.

3. Place prominent "Danger" or "Warnings" near (as safety dictates) the surface expression and restrict access to the area until the surface expression has stopped flowing and the area deemed safe for reentry by a professional engineer licensed under Chapter 7 of Division 3 of the California Business and Professions Code, as per CCR section 1724.11 subdivision (i).
4. Incorporate the "Southwestern" lease (35.25438, -119.5824) event within a Surface Expression Monitoring & Prevention Plan, for review and approval by the Division by September 17, 2020. At a minimum, per CCR section 1724.11 subdivision (b)(1), the plan shall include the following:

(A) A subsurface injection-production mass balancing surveillance system utilizing a continuous tilt meter array or other ground monitoring system approved by the Division; or implementation of a real-time pressure/flow monitoring system that will give adequate warning to prevent surface expressions.

(B) A map of the project area with all surface expressions, including cracks, fissures, and sink holes related to underground injection, and containment measures prominently marked. A current map of these features shall be provided to the Division and shall be updated as these features are discovered, installed, or changed.

(C) Protocols for restriction of access to areas where there are surface expressions or surface expression containment measures.


(D) Training, including safety measures and identification of possible hazards, for field personnel working in areas where there are surface expressions or where surface expressions may occur.

As indicated above, the occurrence of a surface expression is a violation of CCR section 1724.11, subdivision (a). In addition to any civil penalties that may issue for the occurrences of surface expressions since this prohibition went into effect on April 1,

2019, failure to follow the above requirements, and remedy the current ongoing violations, may result in an additional Notice of Violation and/or enforcement actions. Such enforcement actions could include the issuance of a civil penalty and/or a remedial work order pursuant to PRC sections 3236.5 and/or 3224, respectively.

If you have any questions, please call the Acting District Deputy, Chris Jones at (661) 322-4031.

Sincerely,

DocuSigned by:

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Chris Jones
Acting District Deputy, Inland District

Enclosure(s)

Exhibit A

CAL-OES Report 20-4392

| NOTIFY DATE/TIME: 08/15/2020 / 0453 | | RECEIVED BY: OCCURRENCE DATE/TIME: 08/15/2020/0100 | |
|---|--|---|--|
| <p align="center">Governor's Office of Emergency Services Hazardous Material Spill Update CONTROL#: 20-4392 NRC#</p> | | <p align="center">CITY/OP. AREA: Fellows/Kern County KERN COUNTY AFCD</p> | |
| <p>1.a. PERSON NOTIFYING Cal OES: AGENCY: Berry Petroleum</p> | | | |
| <p>1.b. PERSON REPORTING SPILL (if different from above): AGENCY:</p> | | | |
| <p>SUBSTANCE TYPE:</p> | | <p>c. TYPE: UNSPECIFIED</p> | |
| <p>a. SUBSTANCE:</p> | | <p>d. OTHER:</p> | |
| <p>1. Steam-Water with dirt (mud)</p> | | <p>1. VESSEL >= 300 Tons No No No</p> | |
| <p>2.</p> | | <p>c. PIPELINE No No No</p> | |
| <p>3.</p> | | <p>Original Description Per Rp-A1 0100 caller was notified and responded to site, upon arrival found active release, releasing steam along with a watery mud like fluid being released collecting on the ground creating an ant hill at the release location. No standing fluid at the release location. Shut down the south western 49.54 well that was on steam injection near by in order to help de energize the area. An additional well near by for location assistance is south western 48.56 with the expression release approximately 15-20' from this well.</p> | |
| <p>PERSON NOTIFYING Cal OES OF SPILL UPDATE:</p> | | <p>PHONE#:</p> | |
| <p>NAME:</p> | | <p>Ext:</p> | |
| <p>AGENCY: Berry Petroleum</p> | | <p>PAG/CELL:</p> | |
| <p>UPDATE QUANTITY</p> | | <p>AGENCY: Berry Petroleum</p> | |
| <p><i>Amount</i></p> | | <p><i>Measure</i></p> | |
| <p>1. 18 Barrels Crude Oil</p> | | <p>Sheen</p> | |
| <p>2. 18 Barrels Produced Water</p> | | <p></p> | |
| <p>3.</p> | | <p></p> | |
| <p>4.</p> | | <p></p> | |
| <p>UPDATE KNOWN IMPACT:</p> | | | |
| <p>UPDATE CAUSE:</p> | | | |
| <p>SITUATION UPDATE: Called to update volume and status: A total of 18 Barrels of Crude Oil and 18 Barrels of Produced Water has released, no additional fluids are expected to release, but steam is still flowing into the atmosphere, the event is still on-going.</p> | | | |
| <p>FAX NOTIFICATION LIST: AGENCY: BERRY PETROLEUM COMPANY, LLC ADDRESS: 10000 W. 10TH ST., SUITE 100 BAKERSFIELD, CA 93311 PHONE: 805.833.2222 FAX: 805.833.2222 SECONDARY AGENCY: ADDITIONAL AGENCIES: OTHER ADMIN. AGENCY: OTHER NOTIFIED: RWQCB Unit: Cal GEM:</p> | | | |
| <p>CONFIRMATION REQUEST: CAL GEM 5C Inland</p> | | | |
| <p>FAX NOTIFICATION LIST: ADMINISTERING AGENCY:</p> | | | |

Exhibit B

Location of the Surface Expression

