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3 STATE OIL AND GAS SUPERVISOR
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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 REABANDON WELL AND RESTORE WELL SITE**
15 **NO. 1275**

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18 **Operator: William C. Blanks**
19 **Field: Canoga Park Oil Field**
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1 I. Introduction

2 The State Oil and Gas Supervisor (**Supervisor**), acting through the Geologic Energy
3 Management Division (**CalGEM**), and under the authority of Division 3 of the Public Resources
4 Code (**PRC**; commencing with PRC section 3000) and title 14 of the California Code of
5 Regulations (**Regulations**), may order or permit the reabandonment of any previously
6 abandoned well if the Supervisor has reason to question the integrity of the previous
7 abandonment, or if the well is not accessible or visible. (See PRC section 3208.1, subd. (a).)

8 Based on CalGEM's records, William C. Blanks (**Operator**) is or was an "operator" (as
9 defined in PRC, § 3009) and is responsible (as specified in PRC, § 3224), for reabandonment of
10 the well and the restoration of the well site on abandoned well "Blanks" 1 (API 037-05219) (the
11 **Well**). Attachment A is a Notice of Intention to Drill New Well indicating William C. Blanks as the
12 operator of the well. Based on information, belief, and the evidence described below, the
13 Supervisor has reason to question the integrity of the previous abandonment of the Well.
14 Therefore, pursuant to PRC sections 3013, 3106, 3208.1, 3224, 3226, and 3237, and as set forth
15 below, the Supervisor is ordering Operator to reabandon the Well and restore the well site,
16 consistent with all applicable requirements, including PRC sections 3208, 3228, 3229, and 3230;
17 Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and
18 the conditions included in any permit or approval CalGEM may issue pursuant to PRC section
19 3229.

20 II. Definitions

21 **PRC section 3008, subdivision (a)**, defines "well" to mean, among other things, "any oil
22 or gas well or well for the discovery of oil or gas; any well on lands producing or reasonably
23 presumed to contain oil or gas."

24 **PRC section 3009** defines "operator" to mean "a person who, by virtue of ownership, or
25 under the authority of a lease or any other agreement, has the right to drill, operate, maintain,
26 or control a well or production facility."

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1 **PRC section 3010** defines "production facility" to mean "any equipment attendant to oil
2 and gas production or injection operations including, but not limited to, tanks, flowlines,
3 headers, gathering lines, wellheads, heater treaters, pumps, valves, compressors, injection
4 equipment, and pipelines that are not under the jurisdiction of the State Fire Marshal pursuant
5 to Section 51010 of the Government Code." (See also Regulations, § 1760, subd. (r).)

6 **III. State Oil and Gas Supervisor Authority**

7 **PRC section 3013** states that the oil and gas conservation laws (Division 3 of the PRC,
8 commencing with § 3000) "shall be liberally construed to meet its purposes" and grants the
9 Supervisor "all powers" that may be necessary to carry out those purposes.

10 **PRC section 3106** authorizes the Supervisor to supervise the drilling, operation,
11 maintenance, and abandonment of oil and gas wells to "prevent, as far as possible, damage
12 to life, health, property, and natural resources; damage to underground oil and gas deposits
13 from infiltrating water and other causes; loss of oil, gas, or reservoir energy, and damage to
14 underground and surface waters suitable for irrigation or domestic purposes by the infiltration
15 of, or the addition of, detrimental substances."

16 **PRC section 3208.1, subdivision (a)**, authorizes the Supervisor to order or permit the
17 reabandonment of any previously abandoned well if the Supervisor "has reason to question
18 the integrity of the previous abandonment, or if the well is not accessible or visible."

19 **PRC section 3208.1, subdivision (b)**, states "[t]he operator responsible for plugging and
20 abandoning deserted wells under Section 3237 shall be responsible for the reabandonment"
21 except in certain specific situations not applicable here.

22 **PRC section 3224** mandates that the Supervisor "order such tests or remedial work as in
23 his judgment are necessary to prevent damage to life, health, property, and natural resources;
24 to protect oil and gas deposits from damage by underground water; or to prevent the escape
25 of water into underground formations, or to prevent the infiltration of detrimental substances
26 into underground or surface water suitable for irrigation or domestic purposes, to the best
27 interests of the neighboring property owners and the public."

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1 **PRC section 3226, subdivision (a)**, provides that "within 30 days after service of an order
2 pursuant to Sections 3224 and 3225, or Section 3237, or if there has been an appeal from the
3 order to the director, within 30 days after service of the decision of the director, or if a review
4 has been taken of the order of the director, within 10 days after affirmance of the order, the
5 owner or operator shall commence in good faith the work ordered and continue it until
6 completion. If the work has not been commenced and continued to completion, the
7 supervisor may appoint necessary agents to enter the premises and perform the work. An
8 accurate account of the expenditures shall be kept. Any amount so expended shall constitute
9 a lien against real or personal property of the operator pursuant to the provisions of Section
10 3423. Before performing such work, the division may impose a lien against the real or personal
11 property of the operator pursuant to Section 3423 in an amount equal to an estimate of the
12 cost of the work based on a bid from a contractor or previous costs to perform comparable
13 work."

14 **PRC section 3226, subdivision (b)**, provides that "notwithstanding any other provisions of
15 Section 3224, 3225, or 3237, if the supervisor determines that an emergency exists, the
16 supervisor may order or undertake the actions he or she deems necessary to protect life,
17 health, property, or natural resources."

18 **PRC section 3237, subdivision (c)(1)**, states: "[t]he current operator, as determined by
19 the records of the supervisor, of a deserted well that produced oil, gas, or other hydrocarbons
20 or was used for injection is responsible for the proper plugging and abandonment of the well
21 or the decommissioning of deserted production facilities."

22 **IV. Reason to Question the Integrity of the Previous Abandonment**

23 According to CalGEM's records, Operator drilled the Well in September 1951 and
24 undertook operations to abandon the Well in June 1953. Attachment B is the Special Report
25 on Operations Witnessed. CalGEM approved Operator's abandonment of the Well as
26 compliant with then-applicable requirements, as documented in a Report of Well
27 Abandonment dated August 19, 1953. Attachment C is the Report of Well Abandonment.

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During recent inspections of the Well's surface location and nearby portions of the Canoga Park Oil Field, and during subsequent record review, CalGEM staff observed the following:

- The Well serves as a potential conduit for fluid and/or gas migration, as the original stratigraphy in the Well has been disturbed. Other wells in the same field and in the vicinity of Blanks-1 well have a history of leakage;
- The Well is located near a regional public recreation area and a residential subdivision;
- Available information indicates fresh groundwater is present at a shallow depth in the area around the Well—generally less than 30 feet below the ground surface; and
- A nearby well, "Knapp" 3, API 037- 00494 (Frank Knapp), has a history of leaking hydrocarbons to the surface. These hydrocarbons likely originate from a pressurized hydrocarbon-bearing formation penetrated by, or otherwise in communication with, Frank Knapp. CalGEM records indicate that Frank Knapp and the Well likely penetrate the same formations.

The observations described above, along with other CalGEM records, indicate the previous abandonment of the Well is not consistent with current abandonment standards. The previous abandonment of the Well falls short of current standards for surface plugging in several respects. (See Regulations section 1723.5.) Based on information, belief, and the facts described above, including the apparent deficiencies in the previous abandonment relative to current standards and the location of the Well relative to various natural resources and public areas, the Supervisor has reason to question the integrity of the previous abandonment of the Well.

V. Operator's Required Actions

For the reasons stated above, the Supervisor has determined that reabandonment and remedial work is necessary to prevent damage to life, health, property, and natural resources. Therefore, pursuant to PRC sections 3013, 3106, 3208.1, 3222, 3224, and 3226, **IT IS HEREBY**

1 **ORDERED** that Operator reabandon the Well and restore the well site consistent with all
2 applicable requirements of PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722,
3 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in
4 any permit CalGEM may issue pursuant to PRC section 3229. Operator is ordered to complete
5 this reabandonment and site restoration work within 90 days following the date of this Order.

6 **VI. Operator's Appeal Rights**

7 Operator may appeal this Order by filing a timely written notice of appeal with the
8 Director as described in Article 6 (Appeals and Review) of Division 3 of the PRC, commencing
9 with PRC section 3350. (PRC, §§ 3225, subd. (d), 3237, subd. (b).) If this order is mailed to you,
10 the Director must receive the appeal within (15) days from the date the Supervisor mails the
11 order. To file an appeal, a written notice of appeal may be sent via U.S. mail to:

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13 Department of Conservation
14 Director's Office of Appeals
15 715 P Street, MS 19-06 (Legal Office, Chief Counsel)
16 Sacramento, California 95814-3530

17 Or via electronic mail:

18 CalGEMAppeals@conservation.ca.gov
19

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

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

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1 **VII. Other Potential Actions to Enforce This Order**

2 Failure to comply with Section V (Operator's Required Actions) of this order could
3 subject Operator to further enforcement action.

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6 DATED: July 15, 2022



Uduak-Joe Ntuk
State Oil and Gas Supervisor

Service List:

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