

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
4
5
6
7

8 **STATE OF CALIFORNIA**
9 **NATURAL RESOURCES AGENCY**
10 **DEPARTMENT OF CONSERVATION**
11 **GEOLOGIC ENERGY MANAGEMENT DIVISION**
12
13

14 **ORDER TO PAY A CIVIL PENALTY AND PERFORM REMEDIAL WORK**
15 **NO. 1558**
16
17

18 **Operator: Pioneer Exploration, LLC (P3750)**
19
20
21
22
23
24
25
26
27
28

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, Pioneer Exploration, LLC (**Operator**) is the "operator" (as defined in PRC, § 3009) and is responsible for 86 wells and associated facilities in the Rice Creek Gas Field and Rice Creek, East, Gas Field. As an operator of a well or production facility in California, Operator is required to designate an agent who resides in this state to receive and accept service of all orders, notices, and processes of the Supervisor or a court of law, in accordance with PRC section 3200. The statute also provides that every person so appointing an agent shall, within five days after the termination of the agency, notify the Supervisor, in writing, of the termination, and unless operations are discontinued, shall appoint a new agent. In June 2024, CalGEM provided notice to Operator that its agent of record, Vivian Imperial, was unreachable, and correspondence sent to her was returned as undeliverable. To date, Operator has not designated a new agent. Vivian Imperial has remained unreachable at the address on file, with CalGEM's correspondence returned as undeliverable.

Operator's failure to designate an agent who resides in this state to receive and accept service, to notify the Supervisor of the termination of its previous agent, and to appoint a new agent, constitutes a violation of PRC section 3200. Therefore, pursuant to PRC sections 3013, 3106, 3200, and 3236.5, the Supervisor is ordering Operator to pay a civil penalty for the violation and to appoint a new agent who resides in this state to receive and accept service of all orders, notices, and processes of the Supervisor or a court of law.

Attachment A, incorporated herein, contains a list of definitions and authorities that are applicable to this order.

///

II. Correspondence Undeliverable to Agent

Operator submitted an OG134A form to CalGEM on December 14, 2015, designating Vivian Imperial as its agent, at the address 818 West 7th Street, Los Angeles, CA 90017. On February 14, 2019, Operator listed this agent in its Organization Detail in WellSTAR, CalGEM's Well Statewide Tracking and Reporting System, and provided the following email address for the agent: nraicorporateservices-irvine@nrai.com.

In August 2022, correspondence to Operator's agent was returned to CalGEM as undeliverable and "unable to forward." This continued throughout 2023 and 2024, with mailed correspondence returned to CalGEM as undeliverable. CalGEM was unable to reach Ms. Imperial via phone or email. Following the issuance of remedial and civil penalty orders to Operator, CalGEM provided written notice to its contact at Operator's Texas headquarters about the unresponsive agent, and the need for designation of a new agent residing within the state. CalGEM also forwarded this correspondence to Operator's counsel at Stoel Rives LLP, who was representing Operator in its appeal of the civil penalty order. A copy of this correspondence is included herein as Attachment B. To date, Operator has still not provided CalGEM with notice of an updated agent residing in the state.

In 2025, mailed correspondence to Operator again returned to CalGEM as undeliverable, this time with a note that the office space is vacant. On June 10, 2025, CalGEM again provided written notice to its contact at Operator's Texas headquarters about the unresponsive agent, and need for appointment of a new agent residing in the state. A copy of this correspondence is included herein as Attachment C. On June 18, 2025, Operator confirmed via email that it had received the correspondence and was aware of the agent issue. A copy of this correspondence is included herein as Attachment D. To date, Operator has still not provided CalGEM with notice of an updated agent residing in the state.

III. Civil Penalty

Operator's failure to designate an agent who resides in this state to receive and accept service is a violation of PRC section 3200, and constitutes one violation. Because of this violation, and based on consideration of relevant circumstances, consistent with PRC section

3236.5, by this order the Supervisor is imposing on Operator a civil penalty of \$1,200. Following is an explanation of how the civil penalty amount was determined.

For purposes of this order, the Supervisor considered relevant circumstances, including: characterizing the violations as "major," "minor," or "well stimulation" (as defined in PRC section 3236.5, subdivision (b)) and setting a penalty amount proportionate to the circumstantial importance of all relevant factors, including the eight factors identified in PRC section 3236.5, subdivision (a).

In determining the civil penalty amount for Operator's failure to designate an agent who resides in this state to receive and accept service, the Supervisor determined the violation to be "minor." The statutory penalty range for a minor violation is between \$0 and \$2,500. The Supervisor analyzed the eight factors identified in PRC section 3236.5, subdivision (a), and determined that the Operator's persistence and culpability were significant factors in establishing a civil penalty. In failing to designate an agent who resides in this state, Operator continued a longstanding pattern of unresponsiveness to notices of violation and correspondence from CalGEM. Therefore, the Supervisor determined that it is reasonable to impose a civil penalty of \$1,200 for the failure to designate an agent who resides in this state to receive and accept service. (PRC, § 3236.5, subd. (a).)

Based on the Operator's failure to designate an agent who resides in this state to receive and accept service, and with appropriate consideration of relevant factors as described in PRC section 3236.5, the Supervisor hereby imposes a civil penalty of one thousand two hundred dollars (\$1,200) for the violation.

IV. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3200, 3224, and 3236.5, **IT IS HEREBY ORDERED** that within thirty (30) days from the date this Order is issued, Operator shall:

- 1) Pay a civil penalty of one thousand two hundred dollars (\$1,200).**
- 2) Provide written notice to CalGEM of an agent who resides in this state to receive and accept service from CalGEM, as well as the agent's address, in accordance**

1 **with PRC section 3200.**

2 To remit payment of the civil penalty online, please visit
3 <https://www.govone.com/PAYCAL/Home/SelectAgency> and select "California Department
4 of Conservation Geologic Energy Management Division," then follow the instructions on the
5 screen. When filling out the "order number" field, please type the order number followed by
6 the letter "O."

7 To remit payment of the civil penalty by mail, please send a check payable to
8 "Department of Conservation" to the following address:

9 Department of Conservation
10 CalGEM, Attn: Operational Management Unit
11 715 P Street, MS 1803
12 Sacramento, California 95814

13 Please include the Operator name, Order number, and phrase "Oil and Gas Environmental
14 Remediation Account" on the check itself.

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

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

21 Department of Conservation
22 Director's Office of Appeals
23 715 P Street, MS 19-06 (Legal Office, Chief Counsel)
24 Sacramento, California 95814

25
26 Or via electronic mail: OfficeofAppeals@conservation.ca.gov.
27
28

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

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

5 Failure to comply with Section IV (Operator's Required Actions) of this order could
6 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for
7 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the
8 oil and gas conservation laws commencing at PRC section 3000. PRC section 3236.5 authorizes
9 the Supervisor to impose a civil penalty on a person who violates any provision in Chapter 1 of
10 Division 3 of the PRC or any regulation that implements those statutes, and the Supervisor may
11 in the future impose further civil penalties based on the facts and omissions underlying this
12 order. PRC section 3237 authorizes the Supervisor to order the plugging and abandonment of
13 a well or the decommissioning of a production facility if an operator has failed to comply with
14 an order of the Supervisor within the time provided by the order or has failed to challenge the
15 order on a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply
16 with an order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and
17 distinct offense. (PRC, § 3359.)

18
19
20 DATED: 9/11/2025

Lindsey Miller

21 Lindsey Miller
22 CalGEM Enforcement Chief, on
23 behalf of the State Oil and Gas
24 Supervisor
25
26
27
28