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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**
15 **NO. 1575**
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18 **Operator: Tidelands Oil Production Co. (T2975)**

19 **Field Name: Wilmington**

20 **County: Los Angeles**
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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, Tidelands Oil Production Co. (**Operator**) is the "operator" (as defined in PRC, § 3009) of the well "3R45C" (API 0403723134) (**the Well**). As described in more detail below, Operator has not maintained compliance with the requirements for operation of the Well pursuant to Regulations section 1777. Operator's violation poses a potential threat to life, health, property, and natural resources 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 section 1777, the Supervisor is ordering Operator to pay an administrative civil penalty for the violation.

Attachment A, 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 Well located in the Wilmington Oil Field. On or about July 30, 2025, CalGEM staff conducted an inspection of the Well where the violation of Regulations section 1777, described below, was observed and documented. (**Attachment B**, incorporated herein.) Operator's lack of adherence to the Regulations poses a potential threat to life, health, property, and natural resources.

Failure to Keep Well Cellar Drained. (Regulations, § 1777, subd. (c)(3).)

The well cellar is an excavated area around the wellhead that provides space for equipment at the top of the wellbore. Operators are required to keep well cellars drained. (Regulations, § 1777, subd. (c)(3).) During the inspection conducted on or about July 30, 2025,

CalGEM staff observed fluids in the well cellar at the Well in violation of Regulations section 1777, subdivision (c)(3). This violation was remediated by Operator on or about August 6, 2025.

III. 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 five hundred dollars (\$500.00) for the one violation.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).) API 0403723134	1	\$500.00	\$500.00
		Total Civil Penalty:	\$500.00

For purposes of this Order, the Supervisor considered relevant circumstances when establishing the amount of the administrative civil penalty, including: characterizing the violation 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 Well is inside a "health protection zone," as defined by Regulations section 1765.1, subdivision (b), has a wellhead that is "environmentally sensitive," as defined by Regulations section 1760, subdivision (f), and is a "critical well," as defined by Regulations section 1720, subdivision (a).

IV. Operator's Required Actions

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3224, 3225, 3226, and 3236.5, and Regulations section 1777, **IT IS HEREBY ORDERED** that within 30 days Operator pay an administrative civil penalty of five hundred dollars (\$500.00).

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.

V. Operator's Appeal Rights

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

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

A written notice of appeal may also be sent via electronic mail to:

OfficeofAppeals@conservation.ca.gov.

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

If Operator does not file a timely written notice of appeal, or if the Order is affirmed
following an appeal, this Order will become a final order. Any costs incurred by CalGEM to
obtain compliance with this Order (which may include penalties and interest) will
constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
3356.)

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

2 Failure to comply with Section IV (Operator's Required Actions) of this Order could
3 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for
4 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the
5 oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and
6 3236.3 authorize the Supervisor to seek for civil penalties and injunctive relief for failure to
7 comply with an order or for violations of any provision in Chapter 1 of Division 3 of the PRC or
8 any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to
9 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the
10 PRC or any regulation that implements those statutes, and the Supervisor may in the future
11 impose further civil penalties based on the facts and omissions underlying this order. PRC
12 section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or
13 the decommissioning of a production facility if an operator has failed to comply with an order
14 of the Supervisor within the time provided by the order or has failed to challenge the order on
15 a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an
16 order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct
17 offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right to take
18 further enforcement actions.

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21 DATED: 11/13/2025

Lindsey Miller

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