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STATE OF CALIFORNIA
NATURAL RESOURCES AGENCY
DEPARTMENT OF CONSERVATION
GEOLOGIC ENERGY MANAGEMENT DIVISION

ORDER TO PAY A CIVIL PENALTY
NO. 1591

Operator: The Termo Company (T1200)

Field Name: Aliso Canyon

County: Northern

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, The Termo Company (**Operator**) is the "operator" (as defined in PRC, § 3009) of the "Del Aliso 11" well (API 0403724321) (the **Well**) and the associated "Del Aliso Tank Setting" (Facility ID 90297650) (the **Facilities**), identified on **Attachment A**, incorporated herein. As described in more detail below, Operator has not maintained compliance with applicable regulatory requirements for operation of the Facilities. Operator's failure to comply with the Regulations 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, 3225, 3236.5, and 3270 and Regulations section 1777, the Supervisor is ordering Operator to pay an administrative civil penalty for the non-compliance.

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

II. Alleged Acts and Omissions

Operators are required to maintain production facilities in good condition and in a manner to prevent leakage or corrosion and to safeguard life, health, property, and natural resources and conduct operations in accordance with good oilfield practices. (Regulations, § 1777, subd. (a).) Production facilities include tanks and pumps. (PRC, § 3010; Regulations, § 1760, subd. (r).)

On August 3, 2025, Operator reported a spill of approximately 10 barrels of crude oil onto the ground, surrounding vegetation, and downhill along a paved road in the Aliso Canyon Oil Field. The reported cause of the spill was a partially opened valve on a transfer

1 pump within the boundary of the Facilities. The Facilities consists of six (6) in-service tanks and
 2 other associated components, including the stated transfer pump. The spill constitutes a
 3 violation of Regulations section 1777, subdivision (a).

4 On or about September 5, 2025, CalGEM issued a Notice of Violation (NOV) to
 5 Operator regarding the spill. (**Attachment C**, incorporated herein.) As indicated in the NOV,
 6 on August 13, 2025, CalGEM staff conducted an inspection of the Facilities and observed the
 7 violation to be remediated.

8 **III. Civil Penalty**

9 Based on the foregoing Alleged Acts and Omissions and pursuant to PRC section
 10 3236.5, by this Order the Supervisor imposes on Operator an administrative civil penalty
 11 totaling two thousand dollars (\$2,000.00) for the violation.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to Maintain Production Facilities in Good Condition and in a Manner to Prevent Leakage or Corrosion (Regulations, § 1777, subd. (a).)	1	\$2,000	\$2,000
		Total Civil Penalty:	\$2,000

19 For purposes of this Order, the Supervisor considered relevant circumstances when
 20 establishing the amount of the administrative civil penalty, including: characterizing the
 21 violation as "minor" (as defined in PRC section 3236.5, subdivision (b)), and the eight factors
 22 identified in PRC section 3236.5, subdivision (a).

23 **IV. Operator's Required Actions**

24 For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3225, 3236.5, and
 25 3270 and Regulations section 1777, **IT IS HEREBY ORDERED** that within 30 days, Operator pay an
 26 administrative civil penalty of two thousand dollars (\$2,000.00).

27 To remit payment of the civil penalty online, please visit

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

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

7 Department of Conservation
8 CalGEM, Attn: Operational Management Unit
9 715 P Street, MS 1803
Sacramento, California 95814

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

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

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

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

20 Or via electronic mail to:

21 OfficeofAppeals@conservation.ca.gov

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

26 If Operator does not file a timely written notice of appeal, or if the Order is affirmed
27 following an appeal, this Order will become a final order. Any costs incurred by CalGEM to
28 obtain compliance with this Order (which may include penalties and interest) will

1 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
2 3356.)

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

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

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23 DATED: 2/5/2026

Lindsey Miller

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Lindsey Miller
CalGEM Enforcement Chief, on
behalf of the State Oil and Gas
Supervisor