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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 PLUG AND ABANDON WELLS, DECOMMISSION ATTENDANT FACILITIES,**
15 **AND RESTORE WELL SITES**
16 **NO. 1630**

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18 **Operator: Thomas R. Banks (B0940) dba TB Oil Properties, Inc.**
19 **Field: Wilmington**
20 **Southern District, Los Angeles County**
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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 California Code of Regulations, title 14 (**Regulations**), may order the plugging and abandonment of a well or the decommissioning of a production facility that has been deserted, whether or not any damage is occurring, or threatened, by reason of that deserted well. (PRC, § 3237, subd. (a).) An operator's failure to timely pay required annual fees for any idle well is conclusive evidence of desertion. (PRC, § 3206, subds. (a) and (c).) An operator's failure to comply with idle well testing and management requirements for any idle well is conclusive evidence of desertion. (PRC, § 3206.1, subd. (e).)

Based on CalGEM's records, Thomas R. Banks (**Operator**) is the "operator" (as defined in PRC section 3009) of the wells identified on Attachment A, incorporated herein (the **Wells**), and is responsible (as specified in PRC section 3237, subdivision (c)(1)) for the plugging and abandonment of the Wells, the decommissioning of the production facility attendant to the Wells and the one production facility identified in Attachment A (the **Facility**), and the restoration of the well sites for the Wells. Operator's five Wells at issue here are considered "idle wells" for which the Operator has ceased all activity. CalGEM records indicate that, under applicable provisions of PRC sections 3206, 3206.1, and 3237, Operator has demonstrated evidence of desertion of the Wells and Facility in its failure to comply with provisions of the Public Resources Code and Regulations, including failures to comply with idle well fee requirements, failure to comply with idle well testing requirements, and failure to comply with an order of the Supervisor. Based on these ongoing failures to comply with the Public Resources Code and Regulations, the Supervisor has determined that the Wells and the Facility are deserted.

Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, and as set forth below, the Supervisor is ordering Operator to plug and abandon the Wells, to decommission the production facility, and to restore the well sites for the Wells, consistent with all applicable

1 requirements, including PRC sections 3208, 3228, 3229, and 3230; Regulations sections 1722,
2 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in
3 any permit or approval CalGEM may issue pursuant to PRC section 3229; and until that work is
4 complete, perform remedial work and testing as necessary to prevent damage to life, health,
5 property, and natural resources.

6 **Attachment B**, incorporated herein, contains a list of definitions and authorities that are
7 applicable to this order.

8 **II. Conclusive Evidence of Desertion of the Wells**

9 PRC section 3206.1, subdivision (e), provides that failure to comply with any
10 requirements of the regulations implementing this section (e.g., Regulations, §§ 1772.1, subds.
11 (a)(1) and (b), 1772.1.4, subds. (a) and (b)) shall be conclusive evidence of desertion,
12 permitting the Supervisor to order such wells abandoned pursuant to PRC section 3237.

13 **A. Failure to Pay Idle Well Fees**

14 Based on CalGEM's records, at all times relevant to this Order, Operator was the
15 operator, as defined in PRC section 3009, of the Wells and the Facilities. At all times relevant to
16 this Order, the Wells were idle wells, as defined in PRC section 3008, subdivision (d). As such,
17 Operator is required to follow the process for idle well management set forth in PRC section
18 3206, subdivision (a). Operator did not submit an Idle Well Management Plan in lieu of paying
19 idle well fees and was therefore required to pay an idle well fee for each of its idle wells that
20 were idle in 2024 by May 1, 2025. (PRC, § 3206, subd. (a).) (**Attachment C**,
21 incorporated herein.) As of the date of this order, Operator has not paid its idle well fees for
22 the Wells which were idle in 2024.

23 **B. Failure to Comply with Idle Well Regulations**

24 Based on CalGEM's records, Operator failed to conduct casing pressure testing as
25 required under Regulations section 1772.1, subdivision (a)(2) on the Wells in violation of the
26 regulations implementing PRC section 3206.1. (**Attachment D**, incorporated herein.) Operator's
27 failure to comply with these idle well requirements constitutes conclusive evidence that the
28 Wells and Facilities are deserted.

1 **III. Credible Evidence of Desertion**

2 "Operational history of the well or production facility, the response or lack of response
3 of the operator to inquiries and requests from the supervisor... [and] the extent of compliance
4 of the operator" are factors contributing to the Supervisor's determination whether credible
5 evidence of desertion exists. (PRC, § 3237, subd. (a)(2).)

6 **A. Operational History**

7 CalGEM documented approximately 90 violations from March 2020 through the date of
8 this Order, 56 of which remain unresolved. On August 18, 2025, CalGEM staff observed 12
9 violations that remain unresolved as of the date of this Order, including leaking tanks causing
10 pooled oil containing dead wildlife. Inspectors observed a live racoon coated in oil from one
11 of the leaks. (**Attachments E and F**, incorporated herein.)

12 **B. Non-Compliance with Assessment Statutes**

13 Operator's 2021 first and second half assessments have not been paid. (**Attachments G,**
14 **H**, incorporated herein.) Operator was required to pay annual assessment fees for the Wells
15 and has not done so. (**Attachment I**, incorporated herein.) Operator's failure to timely pay
16 annual assessment fees for the Wells constitutes violations PRC sections 3420, 3421 and 3423.
17 Failure to comply with the requirements of the PRC and Regulations provides credible
18 evidence of desertion. (PRC, § 3237, subd. (a)(2).)

19 **IV. Rebuttable Presumption of Desertion**

20 Pursuant to PRC section 3237, subdivision (a)(3), a rebuttable presumption of desertion
21 arises when, among other reasons, "an operator has failed to comply with an order of the
22 supervisor within the time provided by the order." On October 2, 2024, CalGEM issued Order
23 No. 1447, requiring Operator to pay a civil penalty resulting from Operator's failure to address
24 a leaking tank. (**Attachment J**, incorporated herein.) Operator has not paid the civil penalty
25 required by Order No. 1447. Operator's failure to comply with the order creates a rebuttable
26 presumption that the Wells and Facilities are deserted. (PRC, § 3237, subd. (a)(3)(C).

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V. Operator's Required Actions

For the reasons stated herein, CalGEM has determined that the Wells and Facilities are deserted. Therefore, pursuant to PRC sections 3106, 3206.1, 3224, 3226, and 3237, **IT IS HEREBY ORDERED** that Operator plug and abandon the Wells, decommission the production facilities, and restore the well sites for the Wells consistent with all applicable requirements of PRC sections 3208, 3224, 3228, 3229, and 3230; Regulations sections 1722, 1723 through 1723.8, 1724 through 1724.1, 1760, 1775, and 1776; and the conditions included in any permit CalGEM may issue pursuant to PRC section 3229. Until that work is complete, Operator is ordered to perform remedial work and testing on the Wells and the Facilities as necessary to prevent damage to life, health, property, and natural resources.

VI. 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); 3236.5, subd. (c); 3237, subd. (b).) If this Order is mailed to you, the Director must receive the appeal within (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

Or via electronic mail:

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 and CalGEM may contract for

1 performance of the work, pursuant to PRC section 3226, if, within 30 days of this order,
2 Operator has not, in good faith, commenced the work ordered. Any costs incurred by
3 CalGEM to obtain compliance with this order (which may include penalties and interest) will
4 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
5 3356.)

6 **VII. Consequences of Noncompliance**

7 Failure to comply with Section IV (Operator's Required Actions) of this order could
8 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor
9 for any person who violates, fails, neglects, or refuses to comply with any of the provisions of
10 the oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and
11 3236.3 authorizes the Supervisor to refer for civil penalties and injunctive relief for failure to
12 comply with an order or for violation of any provision in Chapter 1 of Division 3 of the PRC or
13 any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to
14 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the
15 PRC or any regulation that implements those statutes, and the Supervisor may in the future
16 impose further civil penalties based on the facts and omissions underlying this order.

17 PRC section 3237 authorizes the Supervisor to order the plugging and abandonment of
18 a well or the decommissioning of a production facility if an operator has failed to comply with
19 an order of the Supervisor within the time provided by the order or has failed to challenge the
20 order on a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply
21 with an order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and
22 distinct offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right
23 to take further enforcement actions. PRC sections 3236.2 and 3236.3 authorizes the Supervisor
24 to seek civil penalties and injunctive relief for failure to comply with an order or for violation of
25 any provision in Chapter 1 of Division 3 of the PRC or any regulation that implements those
26 statutes.

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DATED: 5/14/2026

Doug Ito
Doug Ito
State Oil and Gas Supervisor