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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 AND PERFORM REMEDIAL WORK**
15 **NO. 1601**
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18 **Operator: Summit Energy, LLC**
19 **Field Names: Fruitvale Oil Field**
20 **County: Kern**
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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, Summit Energy, LLC (**Operator**) is the "operator" (as defined in PRC, § 3009) and is responsible for well Zombie 1 (API 0402951338) identified on **Attachment A**, incorporated herein (the **Well**). As described in more detail below, Operator has not maintained compliance with applicable regulatory requirements for operation of the Well. Operator's failure to comply with the Regulations poses a potential threat to life, health, property, and natural resources and constitute violations requiring remedial work and 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 (1) perform remedial work to bring the Well into compliance and (2) pay an administrative civil penalty for the violation.

Attachment B, 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. On or about May 19, 2025, CalGEM conducted an inspection of the Well where the violation described below was observed and documented in the Fruitvale Oil Field. (**Attachment C**, incorporated herein.)

CalGEM records reflect Operator has not maintained compliance with applicable regulatory requirements for operation of the Well. Operator's lack of adherence to the Regulations poses a potential threat to life, health, property, and natural resources. The violation at issue is identified below.

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, CalGEM observed fluids in the well cellar at the Well in violation of Regulations, section 1777, subd. (c)(3).

As of the date of this Order, CalGEM does not have any records from Operator demonstrating that the violation has been corrected.

III. Civil Penalty/Remedial Work

A. 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 four hundred dollars (\$400.00) dollars for the 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).)	1	\$400	\$400
		Total Civil Penalty:	\$400

For purposes of this Order, the Supervisor considered relevant circumstances when establishing the amount of the administrative civil penalty, including: characterizing the violations 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), is environmentally sensitive, as defined by Regulations section 1760, subdivision (f), and is a critical well, as defined by Regulations section 1720, subdivision (a).

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1 **B. Remedial Work**

2 Pursuant to PRC sections 3224 and 3226, the Supervisor hereby orders Operator to
3 complete remedial work to come into compliance with Regulations section 1777(c)(3), as
4 outlined below in Operator's Required Actions.

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

6 For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3224, 3225, 3226, and
7 3236.5, and Regulations sections 1777, **IT IS HEREBY ORDERED** that within 30 days, Operator:

- 8 1) Pay an administrative civil penalty of four hundred dollars (\$400.00).

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

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

16 Department of Conservation
17 CalGEM, Attn: Operational Management Unit
18 715 P Street, MS 1803
19 Sacramento, California 95814

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

- 22 2) In accordance with PRC section 3224 and Regulations section 1777 Operator is
23 required to drain the well cellar, at the Well.

24 Upon performing the required remedial work, please contact CalGEM's Central District via
25 email at CalGEMCentralEnvironmental@conservation.ca.gov.

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

27 Operator may appeal this Order by filing a timely written notice of appeal with the Director as
28 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

1 the appeal within fifteen (15) days from the date the Supervisor mails the Order. To file an
2 appeal, a written notice of appeal may be sent via U.S. mail to:

3 Department of Conservation
4 Director's Office of Appeals
5 715 P Street, MS 19-06 (Legal Office, Chief Counsel)
6 Sacramento, California 95814

7 Or via electronic mail to:

8 OfficeofAppeals@conservation.ca.gov

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

12 If Operator does not file a timely written notice of appeal, or if the Order is affirmed
13 following an appeal, this Order will become a final order and CalGEM may contract for
14 performance of the work, pursuant to PRC section 3226, if, within 30 days of this Order,
15 Operator has not, in good faith, commenced the work ordered. Any costs incurred by
16 CalGEM to obtain compliance with this Order (which may include penalties and interest) will
17 constitute a lien against Operator's real or personal property per PRC section 3423. (PRC, §
18 3356.)

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

20 Failure to comply with Section IV (Operator's Required Actions) of this Order could
21 subject Operator to further enforcement action. PRC section 3236 makes it a misdemeanor for
22 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the
23 oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and
24 3236.3 authorize the Supervisor to seek for civil penalties and injunctive relief for failure to
25 comply with an order or for violations of any provision in Chapter 1 of Division 3 of the PRC or
26 any regulation that implements those statutes. PRC section 3236.5 authorizes the Supervisor to
27 impose a civil penalty on a person who violates any provision in Chapter 1 of Division 3 of the
28 PRC or any regulation that implements those statutes, and the Supervisor may in the future

1 impose further civil penalties based on the facts and omissions underlying this order. PRC
2 section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or
3 the decommissioning of a production facility if an operator has failed to comply with an order
4 of the Supervisor within the time provided by the order or has failed to challenge the order on
5 a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an
6 order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct
7 offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right to take
8 further enforcement actions.

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DATED: 2/26/2026

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