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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. 1613**  
16

17  
18 **Operator: California Resources Elk Hills (C0880)**  
19 **Field Name: Buena Vista**  
20 **County: Kern**  
21

1 **I. Introduction**

2 The State Oil and Gas Supervisor (**Supervisor**), acting through the Geologic Energy  
3 Management Division (**CalGEM**), and under the authority of Division 3 of the Public Resources  
4 Code (**PRC**; commencing with PRC section 3000) and title 14 of the California Code of  
5 Regulations (**Regulations**), may impose a civil penalty on a person who violates any statutory  
6 provision of the PRC, or any regulation that implements those statutory provisions. (PRC, §  
7 3236.5.)

8 Based on CalGEM's records, California Resources Elk Hills, LLC (**Operator**) is the  
9 "operator" (as defined in PRC, § 3009) and is responsible for the Wells and associated  
10 Production Facilities identified on **Attachment A**, incorporated herein (the "**Wells**" and  
11 "**Facilities**"). As described in more detail below, Operator has not maintained compliance with  
12 applicable requirements for operation of the Wells and the Facilities. Operator's failure to  
13 comply with the Regulations poses a potential threat to life, health, property, and natural  
14 resources for which the Supervisor has determined imposition of a civil penalty is appropriate.  
15 Therefore, pursuant to PRC sections 3013, 3106, 3225, 3236.5, and 3270 and Regulations  
16 sections 1722 and 1777, the Supervisor is ordering Operator to pay an administrative civil  
17 penalty for the violations.

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

20 **II. Alleged Acts and Omissions**

21 Based on CalGEM's records, at all times relevant to this Order, Operator was the  
22 operator, as defined in PRC section 3009, of the Wells and Facilities. On or about March 26,  
23 2025, CalGEM conducted inspections of the Wells and Facilities where the violations described  
24 below were observed and documented in the Buena Vista Field. (**Attachments C and D**,  
25 incorporated herein.)

26 CalGEM records reflect Operator has not maintained compliance with applicable  
27 requirements for operation of the Wells and the Facilities. Operator's lack of adherence to the  
28

1 Regulations poses a potential threat to life, health, property, and natural resources. The  
 2 violations at issue are identified below.

3 **A. Failure to maintain bolts on wellhead. (Regulations § 1777, subd. (a).)**

4 The wellhead is equipment secured to the upper part of a well, located above the  
 5 casing and is held in place by a series of bolts. Damaged or missing bolts on the wellhead may  
 6 lead to leaking around the wellhead. Production facilities include wellheads. (PRC, § 3010;  
 7 Regulations, § 1760, subd. (r).) Operators are required to maintain production facilities in good  
 8 condition and in a manner to prevent leakage or corrosion and to safeguard life, health,  
 9 property, and natural resources and conduct operations in accordance with good oilfield  
 10 practices. (Regulations, §§ 1722, subd. (a); 1777, subd. (a).)

11 During the inspections, CalGEM observed bolts missing from the wellheads at the  
 12 following wells, in violation of Regulations, section 1777, subdivision (a):

API	Well Designation
0402902371	91-29G

15 The one violation was remediated by Operator on or around May 21, 2025.

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

17 The well cellar is an excavated area around the wellhead that provides space for  
 18 equipment at the top of the wellbore. Operators are required to keep well cellars drained.  
 19 (Regulations, § 1777, subd. (c)(3).)

20 During the inspections, CalGEM observed fluids in the well cellar, in violation of  
 21 Regulations, section 1777, subd. (c)(3), at the following Wells:

API	Well Designation
0402901983	Buena Vista 28B 531-28B
0402901981	Buena Vista 28B 521-28B
0402902351	14-29G
0402902357	43-29G

The four violations were remediated by Operator on or around April 24, 2025, and May 21, 2025.

**III. Civil Penalty**

**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 one thousand one hundred thirty dollars (\$1,130.00) for the five violations.

Violation Description	Number of Violations	Associated Civil Penalty per Violation	Civil Penalty Totals
Failure to maintain bolts on wellhead. (Regulations, § 1777, subd. (a).)  API 0402902371	1	\$350.00	\$350.00
Failure to Keep Well Cellar Drained (Regulations, § 1777, subd. (c)(3).)  API 0402901983 API 0402901981 API 0402902351	3	\$180.00	\$540.00
Failure to Keep Well Cellar Drained for well in Health Protection Zone (HPZ). (Regulations, § 1777, subd. (c)(3).)  API 0402902357	1	\$240.00	\$240.00
		<b>Total Civil Penalty:</b>	\$1,130.00

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 Well and tank being inside a health protection zone, as defined by Regulations section 1765.1, subdivision (b).

**IV. Operator’s Required Actions**

For the reasons stated herein, pursuant to PRC sections 3013, 3106, 3225, and 3236.5, and Regulations sections 1722 and 1777, **IT IS HEREBY ORDERED** that within 30 days, Operator:

1 Pay an administrative civil penalty of one thousand one hundred thirty dollars  
2 (\$1,130.00); and

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

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

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

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

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

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

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

26 Or via electronic mail to:

27 [OfficeofAppeals@conservation.ca.gov](mailto:OfficeofAppeals@conservation.ca.gov)

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

1 If Operator does not file a timely written notice of appeal, or if the Order is affirmed  
2 following an appeal, this Order will become a final order. Any costs incurred by CalGEM to  
3 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 **VI. Other Potential Actions to Enforce This Order**

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 for  
9 any person who violates, fails, neglects, or refuses to comply with any of the provisions of the  
10 oil and gas conservation laws commencing at PRC section 3000. PRC sections 3236.2 and  
11 3236.3 authorize the Supervisor to seek for civil penalties and injunctive relief for failure to  
12 comply with an order or for violations 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. PRC  
17 section 3237 authorizes the Supervisor to order the plugging and abandonment of a well or  
18 the decommissioning of a production facility if an operator has failed to comply with an order  
19 of the Supervisor within the time provided by the order or has failed to challenge the order on  
20 a timely basis. PRC section 3359 makes it a misdemeanor to fail or neglect to comply with an  
21 order of the Supervisor. Each day's further failure, refusal, or neglect is a separate and distinct  
22 offense. (PRC, § 3359.) By issuance of this Order, the Supervisor does not waive the right to take  
23 further enforcement actions.

24  
25 DATED: 3/26/2026

*Doug Ito*  
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Doug Ito, State Oil and Gas  
Supervisor