

WebMaster5, WebMaster5@Waterboards

Subject: FW: Valley Water Management - Kern County Post ASAP FW: Cease and Desist Order R5-2015-XXXX for Valley Water Management Company

From: Warren H. Treacher
Sent: Thursday, June 25, 2015 11:18 AM
To: Pulupa, Patrick@Waterboards
Subject: Cease and Desist Order R5-2015-XXXX for Valley Water Management Company

Mr Patrick Pulupa
State Water Board, Office of Chief Counsel
PO Box 100
Sacramento CA 95812

25 June 2015

Re: Cease and Desist Order R5-2015-XXXX for
Valley Water Management Company
Race Track Hill Facility and Fee 34 Facility, Edison Oil Field, Kern County

To Advisory Team and Regional Water Board Members:

Twenty-three years ago when I began my career, the Edison oil fields were a very different place than they are today. I started working on old leases that in many cases had been deserted by the major oil companies. The tanks were old—some as old as 50 years. The lines were buried, uncoated steel and very unreliable. Back then every tank farm had its own water disposal sump. These old disposal sumps were unlined, often poorly netted and difficult to monitor. They further lent themselves to illicit third party dumping, and in at least one case, I recall a man's body being found in one.

Over time I began remediating my old leases through necessity and intensified regulations.

In 1990, the State Water Resources Board gave us small operators five years to eliminate our water disposal sumps altogether. At no small expense, I plumbed in produced water tanks with electric pumps run by high/low switches, and then remediated the old sump sites. As the DOGGR expanded jurisdiction and increased its regulations, I began replacing uncoated steel lines in 1998; then in response to new tank regulations, I repaired or replaced old tanks with new ones that complied with leak detection orders 2010.

Today when one generally observes a typical oil field, instead of dangerous, unsightly sumps spread out all over, one sees only dedicated produced water disposal tanks.

I am highlighting this history to establish that over the past 20 years I have devoted a great deal of time, effort and money to comply with new industry standards as they emerge. Every other conscientious operator in good standing has done exactly the same thing and the patch is a different and better place today because of this process.

To make this happen, it took cooperation between the operators and the regulatory agencies, effort and money. And most importantly, it took time to accomplish these goals. That is what it will take now to confront the fresh compliance issue before Valley Water today. If the members of Valley Water are given reasonable time, we can and will meet this challenge as we have met every one of the last 20 years.

However, if this CDO stands—we will have to shut in our wells. The end result will be that many operators will not have the finances or incentive to move forward. There is a strong probability that this entire oil field will cease to permanently operate—leaving operators without funds to dismantle or plug and abandon their wells, and leaving orphan sites for the State to address.

I am the smallest operator in this field, but my wells here represent the majority of my income. The closure of this field would not only be disastrous for me personally, but also for the network of contractors I rely on to operate my wells. I have firsthand information that I am not the only operator in this field that will be bankrupted by this order.

Oil wells are an economic multiplier that drives money through the entire county. Shut in wells are bad for the environment, the tax base, the DOGGR, the royalty owners and the many people and families that derive their livelihood from them.

If one of the current alternatives we are exploring, namely to build and operate a desalinization plant for the produced water is permitted, this operation in Kern County could become an environmental model for many other operators throughout the county and the U.S.

I urge the Regional Water Board to give us the time needed to meet this new challenge. I assure you we can and we will.

Sincerely,

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