



# Enforcement News

Central Valley Regional Water Quality Control Board

<http://www.waterboards.ca.gov/centralvalley/>

## Settlement Agreement Reached with Two Kern County Oil Firms for Illegal Discharge of Oilfield Fluids

### For Immediate Release

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**FRESNO** – The Central Valley Regional Water Quality Control Board has reached separate agreements with Occidental of Elk Hills, Inc. (Oxy) and Vintage Production California, LLC (Vintage) for administrative civil liability penalties totaling \$476,784. The penalties are for discharging oilfield fluids into unlined pits in violation of a Central Valley Water Board order which permitted discharges of only specific types of fluids.

The settlement agreements, a result of cooperation by both companies, are structured so that half of the settlements serve as an administrative penalty and the other half will be used for supplemental environmental projects. These projects are chosen from a list approved by the Central Valley Water Board in March 2014 as part of a program to direct settlement money to disadvantaged communities in the region.

The Central Valley Water Board prosecution team's investigation determined that Oxy and Vintage discharged non-drilling-related fluids to unlined sumps next to Oxy and Vintage oil wells in Kern County between Jan. 1, 2012 and Nov. 15, 2013.

The prosecution team concluded that the discharge posed a threat to groundwater quality, and that Oxy and Vintage violated the California Water Code for unpermitted discharges of wastewater to land. Oxy and Vintage brought the violations to the attention of Central Valley Water Board staff and submitted additional information regarding the volume and duration of the discharges. This cooperative approach by the two dischargers led to the settlements.

“Discharges of oilfield wastewaters to unlined pits must be done in compliance with our existing orders and with the Tulare Lake Basin Plan,” said Central Valley Water Board Assistant Executive Officer Clay Rodgers. “We continue to be concerned that similar discharges may have occurred elsewhere in the Central Valley and are working to ensure that discharges of oilfield-derived wastes are in compliance with the Basin Plan and protective of water quality.”

The investigation that led to the settlements began with investigative orders under the Water Code that were issued in November 2013 to significant oil and gas operators within the Central



Valley as reported to the California Division of Oil, Gas, and Geothermal Resources. The orders required oil operators, including Vintage and Oxy, to provide a technical report with specific details about the use of drilling pits and the fluids discharged into the pits at all wells drilled during the period from January 1, 2012 through November 15, 2013.

The Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order for Oxy is available at:

[http://www.waterboards.ca.gov/centralvalley/board\\_decisions/adopted\\_orders/kern/r5-2014-0535.pdf](http://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/kern/r5-2014-0535.pdf)

The Settlement Agreement and Stipulation for Entry of Administrative Civil Liability Order for Vintage is available at:

[http://www.waterboards.ca.gov/centralvalley/board\\_decisions/adopted\\_orders/kern/r5-2014-0536.pdf](http://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/kern/r5-2014-0536.pdf)

The Central Valley Board is a California state agency responsible for the preservation and enhancement of water quality. For more information on the Central Valley Water Board, please visit the home page at:

<http://www.waterboards.ca.gov/centralvalley/>

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