

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

CIVIL MINUTES – GENERAL

Case No. 2:22-cv-08357-DOC-KS

Date: September 26, 2024

Title: JEFFREY POWERS ET AL. V. DENIS RICHARD MCDONOUGH ET AL.

PRESENT: THE HONORABLE DAVID O. CARTER, JUDGE

Deborah Lewman
for Karlen Dubon
Courtroom Clerk

Not Present
Court Reporter

ATTORNEYS PRESENT FOR
PLAINTIFF:
None Present

ATTORNEYS PRESENT FOR
DEFENDANT:
None Present

**PROCEEDINGS (IN CHAMBERS): ORDER MANDATING
BRIDGELAND OIL TO CAP
SAWTELLE 2 AND SETTING
STATUS CONFERENCE**

Bridgeland operates a drill site on 3 acres of the West LA VA Grounds.

In 2017, the VA and Bridgeland entered into a revocable license with Bridgeland's predecessor in interest that gave them the right to slant-drill oil wells that pass through the sub-surface of the West LA VA Campus to extract non-federal oil from the privately-owned land neighboring the West LA VA Grounds. Bridgeland slant drills these private wells from a well called Sawtelle 2, located on the West LA VA Drillsite. In exchange for the right to operate Sawtelle 2, Bridgeland, under the 2017 agreement with the VA, donates a 2.5% royalty to a veterans' charity.

In the Court's post-trial order, it found that the 2017 agreement between Bridgeland and the VA violated the VA's fiduciary duty to veterans and the 2016 West Los Angeles Leasing Act, because the agreement did not principally benefit veterans and their families. Accordingly, the Court held that the agreement authorizing Bridgeland to operate Sawtelle 2 was void. Bridgeland has represented that, since the Court's order, it has ceased extracting oil using the Sawtelle 2 well.

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Bridgeland is hereby ORDERED to cap, using procedures consistent with California law, Sawtelle 2 so that Bridgeland may no longer slant drill private oil leases from the West LA VA campus. The Court sets a status conference for Wednesday, October 2, 2024, at 1:30 p.m. at which Bridgeland is ordered to inform the Court of its progress on capping Sawtelle 2.

The Clerk shall serve this minute order on the parties.

MINUTES FORM 11
CIVIL-GEN

Initials of Deputy Clerk: djl