



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Planning & Development
Department No.: 053
For Agenda Of: February 12, 2019
Placement: Departmental
Estimated Time: 45 minutes
Continued Item: No
If Yes, date from:
Vote Required: N/A

TO: Board of Supervisors
FROM: Department: Planning & Development
Director: Dianne M. Black, Director, 568-2086
Contact Info: John Zorovich, Deputy Director, Energy, Minerals & Compliance
Division, 568-2519
SUBJECT: Briefing on Oil and Gas Development in Santa Barbara County and Compliance
Status of Oil and Gas Operations in Santa Barbara County

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file this comprehensive report on the Oil and Gas Development and compliance status of offshore and onshore oil and gas operations in Santa Barbara County.
- b) Determine that this report does not constitute a project under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines Section 15378(b) (5).

Issue Summary

The Board of Supervisor was last briefed on this topic on December 5, 2017. At the December 2017 hearing, the Board requested that Planning and Development staff return in a year to provide another briefing on the status of oil and gas operations in Santa Barbara County. Planning and Development has coordinated with two other County agencies (the Fire Department, and Environmental Health Services, Hazardous Materials Unit, Certified Unified Program Agency) and one special district (the Santa Barbara County Air Pollution Control District) in the preparation of this report. Additionally, P&D staff reached out to two State agencies, the Division of Oil, Gas and Geothermal Resources (DOGGR) and the Regional Water Quality Control Board (RWQCB), having regulatory oversight of the petroleum industry. P&D also contacted staff from the California Department of Fish and Wildlife, the United States Fish and Wildlife Service, and the Federal Bureau of Safety and Environmental Enforcement. Representatives from these three agencies informed P&D staff that there were no noteworthy code

enforcement violations associated with onshore and offshore oil and gas development for the 2017-2018 reporting period. The result of this coordinated effort is to provide a comprehensive briefing on the compliance status of offshore and onshore oil and gas operations in Santa Barbara County. The report summarizes the results of oil and gas facility inspections and regulatory oversight performed by the three County agencies, one special district, and two state agencies. The report also provides an update of onshore violations, spills and/or release incidents that have occurred since December 2017. In the interest of providing a comprehensive report, staff has also included the status of offshore oil and gas projects, as well as a summary of pending onshore oil and gas projects.

Background

Three Santa Barbara County agencies, Planning and Development Department (P&D), the Fire Department (FD), and Environmental Health Services (EHS), and one special district, the Air Pollution Control District (APCD), exercise jurisdictional regulatory oversight in monitoring environmental and safety compliance of facilities that produce, process and/or transport oil and gas in the County.

Onshore, oil and gas production derives from approximately 2480 active wells and is processed at over 125 facilities that are operated by 25 different producers (30 for APCD, due to their more expansive jurisdiction). These onshore wells and associated production facilities are generally located in the northern part of the County and are particularly concentrated in the Santa Maria Valley, Orcutt Hill, Cat Canyon, Los Alamos and Cuyama areas. As more fully described below, the agencies provide direct regulatory oversight in their jurisdictional interest areas for these operations. Attachment 1 provides a map showing the locations of onshore oil wells, as well as state-designated oilfield boundaries in Santa Barbara County.

Offshore, 16 platforms located in the State Tidelands and Outer Continental Shelf adjacent to Santa Barbara County produce oil and gas into onshore processing and transportation facilities. Only the APCD directly regulates all 16 platforms, based on delegated authority from the US Environmental Protection Agency. No other County agency has direct regulatory authority over these 16 platforms. Eight of the platforms (Holly, Hondo, Harmony, Heritage, Harvest, Hidalgo, Hermosa, and Irene) produce and transport oil and gas into onshore facilities located in County jurisdiction; these onshore facilities fall under the regulatory purview of P&D, FD, APCD and EHS. Currently, Platform Irene is the only platform that is producing and transporting oil and gas into onshore facilities located in Santa Barbara County. The remaining eight platforms (A, B, C, Henry, Hillhouse, Hogan, Houchin and Habitat) produce oil and gas into facilities located in Ventura County; those facilities are overseen by that county's corresponding regulatory agencies.

Two significant pipeline systems transport crude oil within and beyond the County. Until its rupture and closure in May 2015, the Plains All-American Pipeline (consisting of Line 901 along the Gaviota coast, and Line 903, running inland north from Gaviota and then east to Pentland Station in Kern County) provided crude oil transportation for six platforms associated with the ExxonMobil Santa Ynez Unit Project and the Freeport McMoRan Point Arguello Project, as well as Venoco's Platform Holly. The Plains All-American Pipeline system remains out of service, with no projected date of reopening for business. All six platforms are likewise shut in.

The second pipeline system, Phillips 66's Line 300 and its associated feeder lines, originates at the Lompoc Oil and Gas Plant east of Vandenberg Village. The line runs in a northerly direction carrying crude oil from platform Irene, the Lompoc Field, and other onshore production sources to the Phillips 66 Santa Maria Refinery on the Nipomo Mesa in San Luis Obispo County. The Phillips 66 Santa Maria Pump Station east of City of Santa Maria allows trucked crude oil production from numerous onshore operations to enter the Line 300 system for transport, as well. Finally, a smaller portion of the County's

onshore crude oil production is trucked as feedstock to the Santa Maria Asphalt Refinery located west of City of Santa Maria.

REGULATION OF OIL & GAS OPERATIONS

As briefly described above, three county-level agencies, and one special district exercise regulatory authority over oil and gas operations in Santa Barbara County. The agencies and their regulatory roles are described below.

Energy, Minerals, & Compliance Division (P&D). The County's Petroleum Unit, a part of the Energy, Minerals & Compliance Division (a.k.a. Energy Division) within P&D, regulates onshore oil and gas operations by implementing and enforcing County Ordinance No. 25, the Petroleum Code. The Petroleum Unit has permitting and inspection authority for all above-ground onshore oil and gas development including wells and related facilities. Petroleum Unit staff perform initial inspections of new wells and related facilities during construction, and then inspect each well and facility at least once a year thereafter. If a Code violation that cannot be immediately rectified is noted during an inspection, inspection staff issue the operator a Notice of Violation (NOV) and perform follow-up re-inspections to ensure compliance.

In addition to enforcement of the Petroleum Code, oil and gas development projects, including the onshore portions of offshore oil and gas development projects, are subject to the County's land use authority and permitting requirements, which are implemented by the Energy Division. Larger oil and gas development proposals undergo environmental analysis pursuant to the California Environmental Quality Act and obtain discretionary approval of Oil Drilling and Production Plans via public hearings before the County's Planning Commission and, on appeal, the Board of Supervisors. Additionally, P&D staff, with the assistance of a third-party engineering consultant, oversees design-based hazardous and/or safety-related issues of the onshore portions of offshore projects through the County's System Safety and Reliability Review Committee (SSRRC), comprised of FD, APCD, Building and Safety, and Energy Division staff. Following permit approval, P&D staff manages and oversees the construction, operation and eventual decommissioning of these projects and assures compliance with permit conditions throughout each project's life cycle.

Fire Department. The Inspection Services Section of the Department's Fire Prevention Division regulates onshore oil and gas operations and facilities maintenance by enforcing Chapter 15 of the County Code, the California Fire Code, and other state laws. County Code Chapter 15 and the California Fire Code provide the Fire Department with inspection and permitting authority for all onshore oil and gas facilities. The Fire Department's permits include facility operation; welding and hot work; and other hazardous operations. Each facility is inspected at least annually, with additional inspections performed to ensure compliance¹. All observed violations are entered into the Fire Department's record management system and an Inspection Report is delivered to the operator to notify them of the Department's findings.

The Fire Department is also responsible for annual fire-safety-related inspections of the onshore portions of offshore oil and gas development projects as a member of the SSRRC. In addition, the Fire Department participates and evaluates facility response to simulated incidents. The Fire Department also reviews facility Emergency Response Plans and Fire Protection Plans associated with new facilities.

Air Pollution Control District. The APCD is a special district that regulates stationary sources of air pollution within the County, including onshore and offshore oil and gas production sources, under the

¹The Fire, P&D and APCD annual well and facility inspection calendars are shared with staff from the other departments. Each department conducts their own inspections and at different times of the year from one another.

authority of the federal Clean Air Act and the state Health and Safety Code. The APCD issues permits to oil and gas operators that specify limits on the air pollutants that they may emit, and then performs inspections to ensure operators comply with the specified emission limits. The oil and gas production sources permitted by the APCD include onshore and offshore oil and gas extraction operations, oil and gas plants, an asphalt refinery, oil and gas pump stations, a natural gas storage facility, and natural gas odorant and metering stations. An interactive map available on the APCD's website (<https://map.ourair.org/>) shows the locations of onshore and offshore oil and gas production facilities and other air pollution sources permitted by the APCD.

APCD inspectors perform initial inspections of new oil and gas sources after initial operations have commenced, and then conduct routine inspections at each source on a regular basis thereafter. Major oil and gas stationary sources (those that emit or have the potential to emit 100 tons per year or more of any pollutant) are routinely inspected two to four times per year. The remaining small and medium oil and gas stationary sources are routinely inspected once per year, once every two years, or once every three years. The inspection frequency is determined by considering APCD priorities and workload, inspector staffing levels, and the compliance history of the source. Larger oil and gas sources necessitate multiple visits, each counted as a separate inspection, to complete the inspection of the entire source.

The APCD issues Notices of Violation for failing to comply with permit conditions, and/or local, state, and federal rules and regulations. If an NOV is not immediately rectified, APCD staff follows up with the source to ensure compliance is achieved. Major oil and gas stationary sources are required to self-report deviations, which are violations of permit conditions, within 7 days of discovery. A summary of APCD inspections and NOV data for oil and gas sources is included as Attachment 5 and discussed in more detail in the next section.

Environmental Health Services, Hazardous Materials Unit, Certified Unified Program Agency (CUPA) CUPA regulates businesses that handle hazardous materials, generate or treat hazardous waste, or operate aboveground or underground storage tanks. The primary goal of the CUPA Program is to protect public health and the environment by promoting compliance with applicable laws and regulations. CUPA inspectors perform initial inspections of new oil and gas sources after initial operations have commenced, and then conduct routine inspections at each source on a regular basis thereafter. The CUPA issues Notices of Violation for failing to comply with local, state, and federal rules and regulations. A summary of CUPA inspections and NOV data for oil and gas sources during the 2017-2018 reporting period is included as Attachment 6.

Other Agency Coordination. The Fire Department, APCD and P&D also coordinate regularly with other agencies having important regulatory and enforcement oversight, including the state's Division of Oil, Gas and Geothermal Resources (DOGGR), the Regional Water Quality Control Board (RWQCB). A brief discussion of these two state agencies role in regulating oil and gas projects is provided below.

Division of Oil, Gas and Geothermal Resources (DOGGR) DOGGR generally oversees the down-hole activities of the oil, natural gas, and geothermal industries in California. More specifically, DOGGR regulates the drilling, operation, and permanent closure of oil and gas wells including wastewater injection wells and all types of oil and gas production wells. DOGGR also regulates certain pipelines and facilities associated with the production and injection of oil and gas related fluids. DOGGR also acts as the clearinghouse for information about the state's oil, gas and geothermal industry including well records, production and injection statistics, well logs and field maps. A summary of DOGGR inspections and NOV data for oil and gas sources conducted in 2017/2018 is included as Attachment 7, and discussed in more detail in the next section

Regional Water Quality Control Board (RWQCB) The RWQCB is responsible for protecting water resources throughout the State including both surface waters and groundwater through numerous initiatives that oversee oil and gas related activities. RWQCB implements regulations related to stormwater quality, the handling and remediation of contaminated soils/groundwater, and pollutant discharges from industrial sites. A summary of RWQCB inspections conducted in 2017/2018 is discussed in detail in the next section.

COMPLIANCE SUMMARY–VIOLATIONS AND SPILL INCIDENTS

Energy, Minerals & Compliance Division -- Petroleum Unit. Attachment 2 provides a summary of the Petroleum Unit's well and facility inspections by producer, and the number of Notices of Violation and fines issued. In the four-year time period from January 2015- through December 2018, 156 NOV's were issued, with an average of 39 NOV's per year. The majority of these violations were minor in nature and were remedied by the respective operator in a timely manner. The highest number of violations was in 2017 (65), with the preponderance of violations issuing to a single operator (see below). No facilities fell into the Petroleum Ordinance's definition of a "High-Risk Operation" during the reporting period.

One hundred and thirty-four of the NOV's issued during the reporting period were directed to HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.). The violations documented a variety of annual inspection infractions, including fluid leaks and other spills, failure to comply with multiple requirements of County of Santa Barbara Code Chapter 25 (Petroleum Ordinance), and for failure to pay properly assessed fees and fines during 2015, 2016 and 2017. HVI Cat Canyon, Inc. outstanding fees and fines are currently collected by P&D through a negotiated payment agreement which would have brought the operator fully current by December 2018. However, as of the writing of this report, two payment installments totaling \$144,838.08 were still outstanding. Energy Division staff is currently considering pursuing other collection remedies for the outstanding balance.

Attachment 2 also includes a breakdown of the fines levied against individual operators. In 2017 and 2018, P&D collected \$108,000 and \$45,604 in fines from HVI Cat Canyon, Inc., respectively. These penalties were related to 33 Notices of Determination of Fine that were issued between June 2016 and November 2017.

Fire Department. Attachment 3 includes a summary of the Inspection Service Section's oil and gas facility inspections by operator and the number of violations observed. In the four-year time period from January 2015 - 2018, 732 violations were observed, with an average of 183 violations per year. With the exception of the spills discussed in the next paragraph, observed violations were generally maintenance-related and most violations were corrected in a timely manner.

Spill Response (Petroleum Unit and Fire Department). Attachment 4 provides summary tables for the 2015-2018 reporting period of both FD and P&D spill responses, including operator and facility name, date of incident, amounts of crude oil, produced water and total fluids spilled, and current status. As shown in tables included in Attachment 4, Petroleum Unit and Fire Department staff responded to a total of 34 spills during the four-year reporting period, none of which created impacts to any active waterways. The sources of these releases varied, originating from lease flow lines, valves, tanks, wells and related oilfield infrastructure. Eleven releases occurred in 2018; the largest of which occurred in December totaling 150 barrels at the E&B Natural Resources Cuyama Pump Station facility. The Final Spill Report received from the operator, noted the cause of the release was due to a ruptured frozen ball valve. The spilled oil was confined to the secondary containment area and no waterway was impacted by the spill.

Air Pollution Control District. Attachment 5 includes a summary of the APCD's stationary source inspections by operating company, the number of NOVs issued, and the amount of penalties collected. In the four-year time period from January 2015- 2018, 250 NOVs were issued, with an average of 62 NOVs per year associated with oil and gas violations throughout the county. The highest number of violations was in 2016 (71). APCD staff reports all NOVs issued each month to the APCD Board of Directors at each Board meeting and publish them on the APCD website:

<https://www.ourair.org/apcd/apcd-board-actions/> (see Notice of Violation Reports).

One hundred and twenty-five of the 250 NOVs issued during the evaluation period were directed to HVI Cat Canyon, Inc. These violations included both emissions violations and administrative violations. Some examples of the violations issued include failing to operate equipment in compliance with APCD permits, local rules, state regulations, or federal regulations; failing to maintain equipment; failing to monitor operations; failing to keep records, failing to submit reports, and operating equipment without valid APCD permits. Of the 125 NOVs, one emissions violation remains outstanding. The outstanding emissions violation was issued for operating equipment without a valid APCD permit. APCD staff is working with HVI Cat Canyon, Inc. to resolve the outstanding violation.

Forty-three of the 250 NOVs issued during the evaluation period were directed to Freeport McMoRan Oil & Gas, LLC (Freeport McMoRan); all but one was self-reported. These violations include both emissions violations and administrative violations. Some examples of the violations issued include failing to operate equipment in compliance with APCD permits, local rules, state regulations, or federal regulations; and failing to maintain equipment. Freeport McMoRan achieved compliance for all 43 of the NOVs.

Attachment 5 also includes a breakdown of the fines levied against individual operators. In 2017 and 2018, APCD collected \$49,500 and \$416,375 in fines, respectively. These penalties were related to 124 Notices of Violations that were issued to various operators between September 2014 and June 2018.

Environmental Health Services, Hazardous Materials Unit, Certified Unified Program Agency (CUPA) Attachment 6 includes a summary of the CUPA oil and gas facility inspections by operator and the number of violations observed for 2017 and 2018. In the two-year time period from January 2017 through December 2018, CUPA issued ten NOVs associated with oil and gas operations located throughout the county. Three of the eight NOVs issued during the evaluation period were directed to HVI Cat Canyon, Inc. These violations consisted of failing to submit the annual business plan before the due date and improperly labeling open and closed containers. Six of the other remaining seven NOVs issued to other operators were related to similar administrative violations as well as failing to ensure that inspections of bulk containers were conducted by qualified personnel. The remaining NOV was issued to Exxon/Mobile in 2018 for failure to make proper notification of a hazardous material release to the Office of Emergency Services.

Division of Oil, Gas and Geothermal Resources (DOGGR). DOGGR issues Notice of Violations for a variety of different issues ranging from missing well signs to oil spills. Categorically, violations are segregated into four groups, including: 1) Environmental Lease Inspections, 2) Well testing, 3) Failure to file paperwork, and 4) Incidents. Attachment 7 includes a summary of the DOGGR's oil and gas facility inspections by operator and the number of violations issued from January 2017- 2018. During the two- year period, 196 violations were observed. Examples of violations associated with Lease Inspections include: Missing well signs, fluid in cellar, cellar not covered, tanks not labeled, oil on the ground, non-compliant berms around tanks, and excessive weeds. Examples of violations issued for well testing include: failed pressure test, failed idle well fluid level test, leak during a blowout prevention equipment test, leak on a safety valve for critical wells and failure to perform a test.

Sixty-eight of the 196 violations issued during the two-year review period were directed to HVI Cat Canyon, Inc. Examples of the violations issued to HVI Cat Canyon, Inc. include: 13 Incidents (Spills), 33 environmental lease inspection violations, 15 overdue Underground Injection Control (UIC) tests, and seven failures to file the required paperwork.

Addison Oil and Gas was the only operator issued a civil penalty in the 2017-2018 time frame. The fine was issued for failing to submit required well bonds. The amount of the fine was \$21,554.

Regional Water Quality Control Board. During the two-year review period, two violations were observed by RWQCB for oil and gas related activities within the County. The noted violations included a failure by HVI Cat Canyon, Inc. to submit a technical report detailing a potential injection well casing breach in the Cat Canyon State Designated Oilfield and an instance of unauthorized grading in waters of the state by the Gaviota Terminal Company (GTC). The RWQCB continues to work with HVI Cat Canyon, Inc. to obtain technical information necessary to understand the scope of the injection well failure. Separately, the GTC is currently undertaking remediation and restoration activities which include re-contouring of Alcatraz Creek on the Gaviota Coast. GTC was cited with a violation when their work activities within the creek exceeded the scope of their approved project.

STATUS OF ONSHORE FACILITIES RELATED TO OFFSHORE PRODUCTION

As noted above, eight platforms offshore Santa Barbara County have onshore components that fall under the County's regulatory jurisdiction. Seven of these platforms, as well as the onshore facilities serving them, were shut in following the May 19, 2015 rupture and subsequent closure of the Plains All-American Pipeline system. Following closure, under the regulatory direction of the Pipeline Hazardous Materials and Safety Administration (and with considerable coordination with County staff), the shut-in pipeline system has been purged and cleaned of oil, and inerted with nitrogen, in which state it currently remains. Plains has submitted a Development Plan application to the County for permitting of a new, smaller-diameter steel pipeline system to replace the existing Line 901/903. The permit request is currently undergoing environmental review overseen by the Energy, Minerals & Compliance Division staff.

The following subsections summarize the operating and compliance status of the onshore facilities related to the production platforms offshore Santa Barbara County.

- Venoco Ellwood and platform Holly operations: As a result of the Plains pipeline closure and the extended lack of crude oil transportation, Venoco, Inc. declared bankruptcy on April 17, 2017 and quitclaimed platform Holly and Tidelands Lease 421 back to the state. Wells on the platform and Lease 421 are currently the focus of a plugging and abandonment program, which is implemented under supervision by the State Lands Commission. Decommissioning (removal) of the platform will follow the two to three-year plug and abandon process. The onshore processing plant, known as the Ellwood Onshore Facility (EOF), is within the jurisdiction of the City of Goleta. The City is working with the State Lands Commission to ensure the plant is maintained in safe condition while options for its eventual decommissioning are identified. The defunct Ellwood Marine Terminal (EMT), located on UC System land near Devereux Slough in Isla Vista remains in an idled state while UCSB completes permitting and environmental review of future decommissioning activities. Finally, "Line 96" which connected the Holly/EOF crude oil production into the Plains All-American Line 901 at Las Flores Canyon has been purged of oil and remains filled with a mixture of approximately 1700 barrels of water, corrosion inhibitor and biocide.

- ExxonMobil Santa Ynez Unit and Las Flores Canyon operations: Currently, all platform wells are shut in, pipelines to shore have been cleaned and purged, and onshore facilities in Las Flores Canyon have been made hydrocarbon-free and put in preservation mode. ExxonMobil maintains staffing at the facility with sufficient personnel to monitor safety systems and processes. No significant compliance issues exist with this facility. Exxon has requested a Revised Development Plan permit for an interim trucking project whereby they would conduct a partial “phased restart” of the Santa Ynez Unit platforms and onshore facilities until the Plains pipeline is operational. Staff is currently processing this request through environmental review and expects to release a Supplemental EIR for public review in March 2019.
- FreePort McMoRan Point Arguello Project: Production at platforms Hermosa, Harvest and Hidalgo was shut in shortly after the Plains pipeline rupture. All onshore and offshore components of the project are in preservation mode currently. The operator has applied to the APCD to secure emission reduction credits from the shutdown of these facilities and communicated to staff that they intend to file a permit request for demolition and reclamation of the onshore facilities in the near future. No significant compliance issues exist with this facility.
- FreePort McMoRan Platform Irene and the Lompoc Oil and Gas Plant: Platform Irene was unaffected by the Plains pipeline rupture and closure, and continues to produce oil and gas, which are transported to the Lompoc Oil and Gas Plant for processing. Crude oil is dehydrated at the Lompoc plant; it then enters the Phillips 66 Line 300 pipeline (whose southern terminus is at the plant) for transportation to the Phillips 66 Santa Maria Refinery in southern San Luis Obispo County. Irene gas is treated to pipeline quality specifications (including removal of H₂S) and is either sold to Southern California Gas Company or used as fuel within the facility. No significant compliance issues exist with this facility.

PENDING ONSHORE OIL AND GAS PROJECTS

Permit applications for three substantial oil and gas development projects are currently being processed in P&D. All proposed projects are located in Cat Canyon and are adjacent to each other. Each of the proposed projects is briefly described below.

Aera Energy, East Cat Canyon Redevelopment Plan. Aera Energy proposes to develop an oil and gas production and processing facility on 305 acres of a 2,112-acre holding in east Cat Canyon. The proposed development is situated eight miles southeast of Santa Maria and consists of the following project elements:

- 296 wells (to include oil/gas production, steam injection, observation, non-potable water production, water injection, and fresh groundwater wells). No hydraulic fracturing is proposed.
- 72 well pads.
- 9-miles of interior access roads.
- Gathering lines, and steam distribution lines.
- Treated produced water for steaming (no groundwater to be used).
- 7 new steam generators.
- New 14-mile, 8-inch diameter natural gas pipeline.
- Electrical substation.

- Support infrastructure including office building, warehouse, and facility control building, processing facilities, and loading racks.

A draft Environmental Impact Report (EIR) was released for a 60-day public period on November 30, 2018. Comments on the EIR are due on January 28, 2019. A Planning Commission hearing is anticipated in Summer 2019.

ERG West Cat Canyon Revitalization Project. ERG proposes to develop 75 acres of its 8,054-acre west Cat Canyon holding, which currently contains approximately 1,600 active and idle wells. The proposed development is situated seven miles southeast of Santa Maria and consists of the following project elements:

- 233 new thermally enhanced wells; no hydraulic fracturing is proposed.
- Treated produced water for steaming (no groundwater to be used).
- 91 existing well pads, 9 existing equipment pads, 10 new well pads, 1 new equipment pad.
- 4 new steam generators.
- A new 3.5-mile, 8-inch diameter natural gas pipeline to replace existing 4-inch line.
- Inner field piping to service wells.

A draft EIR was released for a 60-day public period on June 4, 2018. Staff is currently preparing a Final EIR with a Planning Commission hearing projected in the first quarter of 2019. A Planning Commission hearing is scheduled for March 13, 2019.

PetroRock, LLC UCCB Energy Project. PetroRock proposes to develop an oil and gas production and processing facility on 28 acres of a 710-acre holding in west Cat Canyon. The proposed development is located six miles southeast of Santa Maria and currently supports approximately 250 abandoned oil wells, as well as an on-going soil remediation project. The project, which is currently undergoing environmental review, includes the following proposed elements:

- 231 oil production, injection and water wells on 29 well pads; no hydraulic fracturing is proposed.
- Gathering lines, and steam distribution lines.
- Treated produced water for steaming (no groundwater to be used).
- 5 new steam generators.
- A 2.7-mile natural gas pipeline.
- Support infrastructure (office building, warehouse, facility control building, tank batteries, unloading facilities, and processing equipment).

Staff is currently working with the consultant to prepare the draft EIR.

In addition to these large onshore oil and gas development projects, staff also issued four Land Use Permits for smaller oil and gas development projects. Specifically, in 2017 and 2018 four Land Use Permits were issued to Amrich Energy, Vaquero Energy (HDT Inc. Oil), Towne Exploration Company, Inc. and Pyramid Oil Company for a total of 10 new oil wells and two new wastewater injection wells.

FEDERAL OCS LEASING PROGRAM UPDATE

In July 2017, the US Dept. of Interior's Bureau of Ocean Energy Management (BOEM) initiated the development of a new National Outer Continental Shelf (OCS) Oil and Gas Leasing Program for the period of 2019–2024, to replace the 2017–2022 Program currently in place. On July 3, 2017, BOEM issued a Request for Information with a 45-day comment period that closed August 17, 2017. The new Program is intended to consider, among other things, the potential for issuance of leases in the Pacific OCS, including offshore California. BOEM's Request for Information is the first step in a multi-step federal process of identification, sale, exploration and, ultimately, development of OCS oil and gas leases by interested operators. The new Program will include multiple opportunities for public input. The next step is to seek public review and comment on a draft proposed leasing plan that will be developed after considering inputs received during the 2017 comment period. It is anticipated that the new Program will be released for public review within the first six months of 2019.

FEDERAL BLM LEASING PROGRAM FOR HYDRAULIC FRACTURING ON PUBLIC LANDS

In August 2018, the Federal Bureau of Land Management (BLM) issued a Notice of Intent for potential amendments to the Resource Management Plan for the Bakersfield Office. The Notice initiated a 30-day public scoping period to solicit comments for the preparation of a supplemental Environmental Impact Statement (EIS) for the Bakersfield Field Office Resource Management Plan. The supplement EIS would analyze the impacts of hydraulic fracturing technology on BLM administered public land and mineral estate in the Bakersfield Field Office Planning Area. The Planning Area includes approximately 400,000 acres of public land covering portions of Fresno, Kern, Kings, Madera, San Luis Obispo, Tulare, Ventura and Santa Barbara counties. Similar to the OCS Leasing Program discussed above, the Amendment to the Resource Management Plan will include multiple opportunities for public input. The next step will be to seek public review and comment on the draft supplemental EIS which is planned for release in spring of 2019. P&D staff is planning on submitting comments on both the OCS 2019-2024 Program and the draft supplemental EIS when the documents become available.

UNDERGROUND INJECTION CONTROL AQUIFER EXEMPTIONS

Since 2015, the Division of Oil, Gas, and Geothermal Resources (DOGGR) has been responsible for reviewing and preparing aquifer exemptions for various fields throughout California and within Santa Barbara County. The aquifer exemption process requires DOGGR and the RWQCB to review the underlying geology and hydrology within an oil field where waste water is injected into an aquifer, specifically focusing on: the geologic structure, porosity and soil permeability; location, depth and use of nearby domestic water wells; and proposed injection scope and formation fluid analysis. Within Santa Barbara County, DOGGR has reviewed aquifer exemption applications for the Cat Canyon oil field (Sisquoc and Monterey formations); the Zaca oil field (Monterey formation); Main and Northwest Areas of the Lompoc oil field (Monterey formation); and Casmalia oil field (Monterey formation).

The draft Cat Canyon oil field aquifer exemption application has been reviewed by both the Regional and State Water Boards and is anticipated to be released for public review in February 2019. After a minimum 30 day comment period, DOGGR and the RWQCB will conduct a public hearing in Santa Maria to solicit public comments. According to DOGGR staff, a representative from the US Environmental Protection Agency may also participate.

With regard to the Main area of the Lompoc oil field aquifer exemption application, approval to inject was relinquished in the only injection well located outside of the currently approved aquifer exemption boundary. All current injection in the Main area is now confined to the approved Monterey formation

and the Main area of the Lompoc oil field is no longer included in this aquifer exemption application. The aquifer exemption for the Northwest area of the Lompoc oil field is currently under Water Board review and has not been released for public comment.

In review of the Casmalia oil field and Zaca oil field aquifer exemption applications, DOGGR has determined that all current injection activities are within exempted aquifers and no further action is required at this time. With respect to the Casmalia oil field, DOGGR staff has received a request to consider expansion of the oil field aquifer exemption boundary. DOGGR has initiated an aquifer exemption process with the RWQCB staff which would include the posting and public comment processes noted above. The estimated date for when that application will be released for public review has yet to be identified. DOGGR and RWQCB will continue to monitor injection and withdrawal volumes as part of the annual project review process.

Fiscal and Facilities Impacts and Fiscal Analysis:

Budgeted: Yes; the cost of developing this report is budgeted in the Permitting Budget Program on page D-272 of the Department's Fiscal Year 2018-19 Adopted Budget.

Special Instructions:

None.

Attachments:

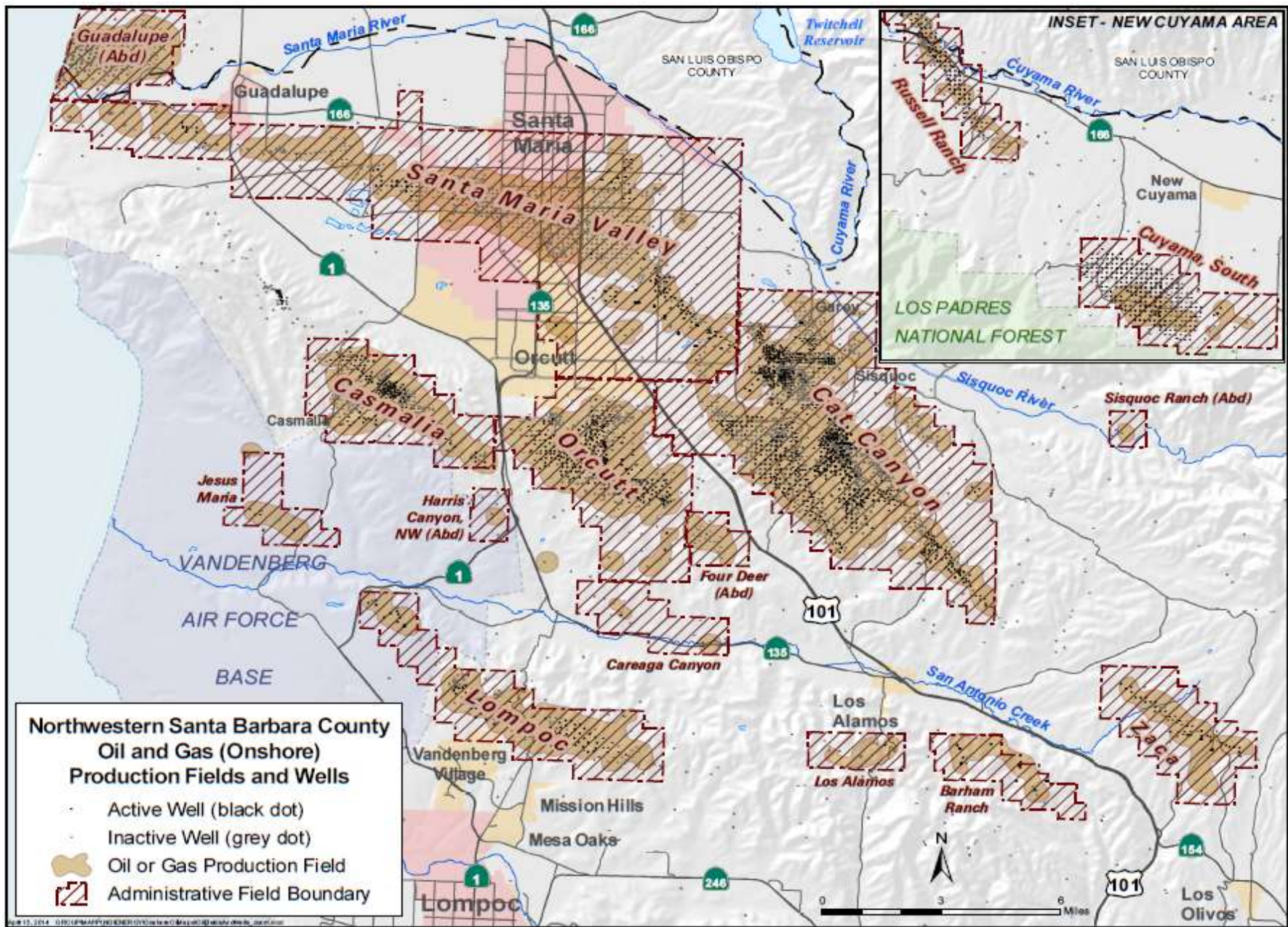
- Attachment 1: Map of Existing Onshore Oil & Gas Wells & State-designated Oil Field Boundaries
- Attachment 2: Petroleum Unit Inspections and Notices of Violation, 2015 – 2018
- Attachment 3: Fire Department Inspections and Notices of Violation, 2015 – 2018
- Attachment 4: APCD Oil & Gas Inspections and Notices of Violation, 2015 – 2018
- Attachment 5: Petroleum Unit and Fire Dept. Crude Oil and Produced Water Spills, 2015-2018
- Attachment 6: Environmental Health Services, Hazardous Materials Unit, Certified Unified Program Agency 2017-2018
- Attachment 7: DOGGR Inspections and Notices of Violations 2017-2018

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Jay Snodgrass, Captain – Investigator, County Fire Department
Kaitlin McNally, Compliance Division Manager, Air Pollution Control District
James Ray, Supervising Hazardous Materials Specialist, Dept. of Environmental Health

ATTACHMENT 1

MAP OF EXISTING ONSHORE OIL & GAS WELLS & STATE-DESIGNATED OILFIELD BOUNDARIES



ATTACHMENT 2

PETROLEUM UNIT (P&D) INSPECTIONS AND NOTICES OF VIOLATION, 2015 – 2018

Attachment 2
Petroleum Unit (P&D) Onshore Inspections and Notices of Violation

2015				
Operating Company	Facilities² Inspected	Wells³ Inspected	Notice of Violation	Notices of Determination of Fines
AERA	0	4	0	0
Amrich Energy	3	13	0	0
B.E. Conway	8	60	0	0
E&B Natural Resources	21	352	0	0
ERG	28	500	0	0
Freeport McMoRan Oil & Gas	1	92	0	0
Freeport McMoRan (State)	0	3	0	0
Golden Gate Oil	3	10	0	0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	34	717	27	0
KORE Energy, LLC	0	1	0	0
Off Broadway Minerals	1	2	0	0
PCEC	9	346	0	0
PRE Resources	3	5	0	0
Pyramid Oil	1	4	0	0
RMR	0	1	0	0
Santa Maria Energy, LLC	4	118	0	0
Sierra Resources	4	104	0	0
So. Cal. Gas	1	23	0	0
Temblor	0	2	0	0
Towne Exploration	1	11	0	0
Vaquero Energy	4	42	0	0
Venoco, Inc.	0	3	0	0
Vintage Production	0	39	0	0
Total	126	2452	27	0

² "Facilities" include tanks, compressors, pumps, vessels, and other large equipment or structures pertinent to oil field operations sited at a single location.

³ Well" is a hole, including a core hole, drilled or being drilled into the earth for the purpose of obtaining and removing or reintroducing into the ground any substance for petroleum operations or which is to be used as an accessory to the production of petroleum, including the production, injection or disposal of USEPA designated Class II materials, but excluding any well drilled solely for the production of fresh water.

Attachment 2 – cont.
Petroleum Unit (P&D) Onshore Inspections and Notices of Violation

2016				
Operating Company	Facilities Inspected	Wells to be Inspected	Notices of Violation	Notices of Determination of Fines
AERA	0	4	0	0
Amrich Energy	4	14	7	0
B.E. Conway	8	60	0	0
E&B Natural Resources	22	350	0	0
ERG	29	500	0	0
Freeport McMoRan Oil & Gas	1	89	0	0
Freeport McMoRan (State)	0	3	0	0
Golden Gate Oil	3	10	1	0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	34	722	39	2
KORE Energy, LLC	0	1	0	0
Off Broadway Minerals	1	2	0	0
PCEC	9	346	0	0
PRE Resources	3	5	0	0
Pyramid Oil	1	4	0	0
RMR	0	1	0	0
Santa Maria Energy, LLC	4	118	0	0
Sierra Resources	4	104	0	0
So. Cal. Gas	1	23	0	0
Temblor	0	2	0	0
Towne Exploration	1	11	0	0
Vaquero Energy	6	46	0	0
Venoco, Inc.	0	3	0	0
Vintage Production	0	39	0	0
Total	131	2457	47	2

Attachment 2 – cont.
Petroleum Unit (P&D) Onshore Inspections and Notices of Violation

2017					
Operating Company	Facilities to be Inspected by Petroleum	Wells to be Inspected by Petroleum	Notice of Violations	Notice of Determination of Fines	NOD Penalties Received¹
Addison Oil	2	5	7	0	\$0
AERA	0	4	0	0	\$0
Amrich Energy	3	10	0	0	\$0
B.E. Conway	8	60	0	0	\$0
California Resources	0	38	0	0	\$0
E&B Natural Resources	22	349	0	0	\$0
ERG	29	500	0	0	\$0
Freeport McMoRan (State)	0	3	0	0	\$0
Golden Gate Oil	2	10	0	0	\$0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	34	722	55	44	\$108,000
KORE Energy, LLC	0	1	0	0	\$0
Miocene Operating Services	1	4	0	0	\$0
Off Broadway Minerals	1	2	0	0	\$0
PCEC	9	344	0	0	\$0
PRE Resources	4	8	3	0	\$0
Pyramid Oil	0	1	0	0	\$0
RMR	0	1	0	0	\$0
Santa Maria Energy, LLC	4	118	0	0	\$0
Sentinel Peak Resources	1	89	0	0	\$0
Sierra Resources	4	104	0	0	\$0
So. Cal. Gas	1	23	0	0	\$0
Temblor	0	2	0	0	\$0
Towne Exploration	1	11	0	0	\$0
Vaquero Energy	6	72	0	0	\$0
Venoco, Inc.	0	3	0	0	\$0
Totals	130	2479	65	44	\$108,000

¹ Fines received in 2017 are for two NOV's that were issued in 2016.

Attachment 2 – cont.
Petroleum Unit (P&D) Onshore Inspections and Notices of Violation

2018					
Operating Company	Facilities Inspected by Petroleum	Wells Inspected by Petroleum	Notice of Violations	Notice of Determination of Fines	NOD Penalties Received¹
Addison Oil	2	5	0	0	\$0
AERA	0	4	0	0	\$0
Amrich Energy	3	10	4	0	\$0
B.E. Conway	8	60	0	0	\$0
California Resources	0	37	0	0	\$0
E&B Natural Resources	22	349	0	0	\$0
ERG	29	500	0	0	\$0
Freeport McMoRan (State)	0	3	0	0	\$0
Golden Gate Oil	0	5	0	0	\$0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	34	722	13	0	\$45,604
KORE Energy, LLC	0	1	0	0	\$0
Miocene Operating Services	1	4	0	0	\$0
Off Broadway Minerals	1	2	0	0	\$0
PCEC	9	344	0	0	\$0
PRE Resources	4	8	0	0	\$0
Pyramid	0	1	0	0	\$0
RMR	0	1	0	0	\$0
Santa Maria Energy, LLC	4	118	0	0	\$0
Sentinel Peak Resources	1	89	0	0	\$0
Sierra Resources	4	104	0	0	\$0
So. Cal. Gas	1	23	0	0	\$0
Temblor	0	2	0	0	\$0
Towne Exploration	1	12	0	0	\$0
Vaquero Energy	6	73	0	0	\$0
Venoco, Inc.	0	3	0	0	\$0
Totals	130	2480	17	0	\$45,604

¹ Fines received in 2018 are for thirty one NOVs that were issued in 2017.

ATTACHMENT 3

FIRE DEPARTMENT INSPECTIONS AND NOTICES OF VIOLATION, 2015 – 2018

**Attachment 3
Fire Department Inspections and Violations**

2015			
Operating Company	Facilities Inspected by SBC Fire	Violations Identified by SBC Fire	Violations Outstanding by SBC Fire
AERA	0	0	0
Amrich Energy	6	6	0
B.E. Conway	10	8	0
E&B Natural Resources	19	4	0
ERG	25	9	0
Freeport McMoRan	1	1	0
Golden Gate Oil	3	5	0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	52	103	0
KORE Energy, LLC	0	0	0
Off Broadway Minerals	0	0	0
PCEC	10	11	0
PRE Resources	1	1	0
Pyramid Oil	1	2	0
RMR	0	0	0
Santa Maria Energy, LLC	4	2	0
Sierra Resources	7	18	0
So. Cal. Gas	1	2	0
Temblor	0	0	0
Towne Exploration	1	1	0
Vaquero Energy	4	4	0
Venoco, Inc.	1	0	0
Vintage Production	1	0	0
Totals	147	178	0

Attachment 3 – cont.
Fire Department Inspections and Violations

2016			
Operating Company	Facilities Inspected by SBC Fire	Violations Identified by SBC Fire	Violations Outstanding by SBC Fire
AERA	0	0	0
Amrich Energy	8	23	23
B.E. Conway	8	29	0
E&B Natural Resources	22	17	0
ERG	28	11	0
Freeport McMoRan	2	0	0
Golden Gate Oil	3	12	3
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	33	163	0
KORE Energy, LLC	0	0	0
Off Broadway Minerals	0	0	0
PCEC	9	20	0
PRE Resources	3	26	0
Pyramid Oil	1	5	0
RMR	0	0	0
Santa Maria Energy, LLC	4	4	0
Sierra Resources	4	15	0
So. Cal. Gas	1	0	0
Temblor	0	0	0
Towne Exploration	1	5	0
Vaquero Energy	6	51	0
Venoco, Inc.	0	0	0
Vintage Production	1	0	0
Totals	124	381	23

**Attachment 3 – cont.
Fire Department Inspections and Violations**

2017			
Operating Company	Facilities Inspected by SBC Fire	Violations Identified by SBC Fire	Violations Outstanding by SBC Fire
AERA	0	0	0
Amrich Energy	0		No Contact/ Facility Abandoned
B.E. Conway	8	0	0
E&B Natural Resources	22	0	SSRRC
ERG	28	14	0
Freeport McMoRan	1	0	SSRRC
Golden Gate Oil	3	12	12 /Facility Abandoned
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	33	76	0
KORE Energy, LLC	0	0	0
Off Broadway Minerals	0	0	0
PCEC	9	0	0
PRE Resources	3	7	0
Pyramid Oil	0	0	No Contact/ Facility Abandoned
RMR	0	0	0
Santa Maria Energy, LLC	4	8	0
Sentinel Peak Resources	1	0	0
Sierra Resources	4	0	0
So. Cal. Gas	1	0	0
Temblor	0	0	0
Towne Exploration	1	0	0
Vaquero Energy	6	0	0
Venoco, Inc.	0	0	In process of being Sold
Vintage Production	0	0	0
Totals	123	117	12

No fines issued by the Fire Department in 2017

Attachment 3 – cont.
Fire Department Inspections and Violations

2018			
Operating Company	Facilities Inspected by SBC Fire	Violations Identified by SBC Fire	Violations Outstanding by SBC Fire
AERA	0	0	0
Amrich Energy	0		Bankrupt
B.E. Conway	8	0	0
E&B Natural Resources Leases	21	1	0
E & B Natural Resources	1	0	SSRRC Facility
ERG	28	0	0
Exxon	1	0	SSRRC Facility
Freeport McMoRan	2	0	SSRRC Facility
Golden Gate Oil	3	0	Bankrupt
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	34	50	12
California Asphalt Production (formerly, Greka Refining Co.)	1	0	SSRRC Facility
KORE Energy, LLC	0	0	0
Krummrich Engineering	1	1	0
Off Broadway Minerals	0	0	0
PCEC	9	0	0
Phillips 66	2	0	SSRRC Facility
PRE Resources	3	2	0
Pyramid Oil	0	0	No Contact/ Facility Abandoned
RMR	0	0	0
Santa Maria Energy, LLC	4	0	0
Sentinel Peak Resources	1	3	0
Sierra Resources	4	0	0
So. Cal. Gas	1	0	0
Temblor	0	0	0
Towne Exploration	1	0	0
Vaquero Energy	6	0	0
Venoco, Inc.	1	0	SSRRC/Owned by State Lands
Vintage Production	0	0	0
Totals	141	56	12

No fines issued by the Fire Department in 2018

ATTACHMENT 4

**PETROLEUM UNIT AND FIRE DEPARTMENT CRUDE OIL AND
PRODUCED WATER SPILLS, 2015–2018**

Attachment 4
Petroleum Unit and Fire Department Crude Oil and Produced Water Spills, 2015 – 2018

2015					
Operator (Facility)	Case Opened	Crude Oil (bbl)	Prod. Water (bbl)	Tot. Fluids (bbl)	Status
PCEC (Cal Coast)	1-7-15	<1	77	78	Closed
HVI Cat Canyon, Inc. (Cat Canyon Security)	1-12-15	0	5	5	Closed
PCEC (Newlove)	1-22-15	1	0	1	Closed
Golden Gate (SMV Minerals)	5-14-15	3	0	3	Closed
HVI Cat Canyon, Inc. (Bell)	5-15-15	3	7	10	Closed
PCEC (Seep 92, Orcutt Hill)	6-5-15	2	0	2	Closed
HVI Cat Canyon, Inc. (Bell)	6-15-15	0	2	2	Closed
Towne Exploration (Luton)	9-23-15	<1	5	6	Closed
ERG (Tognazzini)	10-21-15	2	5	7	Closed
Totals	9	13	101	114	

Notes:

- One barrel = 42 gallons
- Entries with < (“less than”) sign are rounded up for the Totals row.
- Closed status = violation satisfactorily addressed by operator and closed by agency.
- Plains Line 901 (Refugio) Spill is not included in analysis.

Attachment 4 – cont.
Petroleum Unit and Fire Department Crude Oil and Produced Water Spills, 2015 – 2018

2016					
Operator (Facility)	Case Opened	Crude Oil (bbl)	Prod. Water (bbl)	Tot. Fluids (bbl)	Status
E&B (So. Cuyama Unit)	1-22-16	(trace)	4	4	Closed
HVI Cat Canyon, Inc. (Davis Tank Battery)	6-20-16	20	0	20	Closed
FMOG (Lompoc Plant)	9-6-16	0	10	10	Closed
E&B (So. Cuyama Unit)	9-14-16	<1	2	3	Closed
Totals	4	21	16	37	

Notes:

- One barrel = 42 gallons
- Entries with < (“less than”) sign are rounded up for the Totals row.
- Closed status = violation satisfactorily addressed by operator and closed by agency.

Attachment 4 – cont.
Petroleum Unit and Fire Department Crude Oil and Produced Water Spills, 2015 – 2018

2017					
Operating Company	Case Opened	Crude Oil (bbl)	Prod.Water (bbl)	Total Fluids (bbl)	Status
HVI Cat Canyon, Inc. (Carranza)	2/21/17	5.0	0	5.0	Closed
HVI Cat Canyon, Inc. (Blochman Tank Battery)	2/22/17	10.00	0	10.00	Closed
HVI Cat Canyon, Inc. (Chamberlin)	4/5/17	.95	0	.95	Closed
HVI Cat Canyon, Inc. (Shell-Standard Payne)	8/11/17	1.0	0	1.0	Closed
HVI Cat Canyon, Inc. (Bradley Consolidated)	8/16/17	8.0	0	8.0	Closed
HVI Cat Canyon, Inc. (Bradley 5 Islands)	8/31/17	2.50	2.50	5.0	Closed
HVI Cat Canyon, Inc. (Davis Tank Battery)	9/21/17	2.50	2.50	5.0	Closed
HVI Cat Canyon, Inc. (Chamberlin)	10/17/17	1.0	0	1.0	Closed
PCEC (Newlove 61)	2/21/17	1.0	0	1.0	Closed
Sentinel Peak Resources (Jesus Maria)	06/28/17	1.0	5.0	6.0	Closed
Totals	10	32.95	10.00	42.95	

Notes:

- One barrel = 42 gallons
- Entries with < (“less than”) sign are rounded up for the Totals row.
- Closed status = violation satisfactorily addressed by operator and closed by agency.

Attachment 4 – cont.
Petroleum Unit and Fire Department Crude Oil and Produced Water Spills, 2015 – 2018

2018					
Operating Company	Case Opened	Crude Oil (bbl)	Prod. Water (bbl)	Total Fluids (bbl)	Status
HVI Cat Canyon, Inc. (Morganti Tank Facility)	2/2/18	10.0	0	10.0	Closed
HVI Cat Canyon, Inc. (Lloyd 12)	2/22/18	3.0	3.0	6.0	Closed
HVI Cat Canyon, Inc. (Davis 2)	2/22/18	4.0	1.0	5.0	Closed
HVI Cat Canyon, Inc. (Morganti Tank Facility)	2/23/18	.50	.50	1.0	Closed
HVI Cat Canyon, Inc. (Davis Tank Battery)	3/7/18	30.0	10.0	40.0	Closed
HVI Cat Canyon, Inc. (Escolle)	3/26/18	3.0	3.0	6.0	Closed
HVI Cat Canyon, Inc. (Davis Tank Battery)	4/30/18	.45	.45	.90	Closed
ERG Operating Company	10/03/18	3.0	2.0	5.0	Closed
HVI Cat Canyon, Inc. Bradley Lands 10	12/11/18	5.0	0	5.0	Closed
Krummich Tog-Adam	12/15/18	0.5	0	0.5	Closed
E&B Cuyama Pump Station	12/29/18	150.00	0	150.00	Open
Totals	11	209.45	19.95	229.40	

Notes:

- One barrel = 42 gallons
- Entries with < (“less than”) sign are rounded up for the Totals row.
- Closed status = violation satisfactorily addressed by operator and closed by agency

ATTACHMENT 5

APCD OIL & GAS INSPECTIONS AND NOTICES OF VIOLATION, 2015 – 2018

Attachment 5
APCD Oil & Gas Inspections and Notices of Violation

2015			
Operating Company	Number of Stationary Sources ¹ Inspected by APCD	Number of Inspections Conducted by APCD	Number of Notice of Violations Issued by APCD
Amrich Energy, Inc.	1	4	3
B.E. Conway Energy, Inc.	7	5	0
DCOR, LLC.	2	22	0
E&B Natural Resources	2	9	0
ERG Resources, LLC.	4	14	2
ExxonMobil Production Company	1	22	15
Freeport McMoRan Oil & Gas, LLC.	2	34	14
Golden Gate Oil, LLC	1	3	2
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	13	46	13
California Asphalt Production (formerly, Greka Refining Company)	1	6	0
Off Broadway Mineral	1	1	0
Pacific Coast Energy Company LP	1	16	3
Pacific Operators Offshore, LLC.	1	4	1
Phillips 66 Pipeline, LLC.	5	5	0
Plains Pipeline, LP	1	3	0
PRE Resources, Inc.	2	0	0
Purisima Hills, LLC.	1	1	0
Pyramid Oil Company	1	0	0
RMR	1	0	0
Santa Maria Energy, LLC	2	3	0
Sierra Resources	1	2	1
Southern California Gas Company	10	7	1
Temblor Petroleum Company	1	0	0
Towne Exploration	1	0	0
Underground Energy, Inc.	1	0	0
Vaquero Energy	2	1	0
Venoco, Inc.	3	14	1
Vintage Production California, LLC.	1	1	0
Totals	70	223	56

1. "Stationary Source" means any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. See APCD Rule 102 (<https://www.ourair.org/wp-content/uploads/rule102.pdf>) definition for more information.

Attachment 5 – cont.

APCD Oil & Gas Inspections and Notices of Violation

2016			
Operating Company	Number of Stationary Sources¹ Inspected by APCD	Number of Inspections Conducted by APCD	Number of Notice of Violations Issued by APCD
Amrich Energy, Inc.	1	5	1
B.E. Conway Energy, Inc.	7	4	0
California Resources Production	1	2	0
DCOR, LLC.	2	22	1
E&B Natural Resources	2	7	1
ERG Resources, LLC.	4	13	2
ExxonMobil Production Company	1	20	8
Freeport McMoRan Oil & Gas, LLC.	2	25	6
Golden Gate Oil, LLC	1	2	0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	13	71	38
California Asphalt Production (formerly, Greka Refining Company)	1	4	4
Off Broadway Mineral	1	0	0
Pacific Coast Energy Company LP	1	20	1
Pacific Operators Offshore, LLC.	1	4	0
Phillips 66 Pipeline, LLC.	5	5	0
Plains Pipeline, LP	1	7	0
PRE Resources, Inc.	2	2	0
Purisima Hills, LLC.	1	2	1
Pyramid Oil Company	1	1	0
RMR	1	1	0
Santa Maria Energy, LLC	2	1	1
Sierra Resources	1	3	1
Southern California Gas Company	10	4	0
Temblor Petroleum Company	1	1	1
Towne Exploration	1	2	2
Underground Energy, Inc.	1	1	0
Vaquero Energy	2	6	2
Venoco, Inc.	3	8	1
Totals	70	243	71

1. "Stationary Source" means any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. See APCD Rule 102 (<https://www.ourair.org/wp-content/uploads/rule102.pdf>) definition for more information.

Attachment 5 – cont.
APCD Oil & Gas Inspections and Notices of Violation

2017				
Operating Company	Number of Stationary Sources ¹	Number of Inspections	Number of Notice of Violations	NOV Penalties Received ²
Addison Natural Resources, Inc.	1	1	0	\$0
Amrich Energy, Inc.	1	1	0	\$1,000
B.E. Conway Energy, Inc.	7	5	1	\$0
California Asphalt Production (formerly, Greka Refining Co.)	1	3	3	\$0
California Resources Production	1	0	0	\$0
CA State Lands Commission	1	1	0	\$0
DCOR, LLC.	2	17	1	\$0
E&B Natural Resources	2	10	0	\$0
Elysium Russell, LLC	1	2	0	\$0
ERG Resources, LLC.	4	16	1	\$0
ExxonMobil Production Company	1	21	3	\$13,000
Freeport McMoRan Oil & Gas, LLC.	2	21	18	\$2,000
Golden Gate Oil, LLC	1	1	0	\$10,000
HDT Inc	1	1	0	\$0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	12	63	37	\$20,750
Off Broadway Mineral	1	0	0	\$0
Pacific Coast Energy Company LP	1	11	1	\$0
Pacific Operators Offshore, LLC.	1	2	0	\$0
Phillips 66 Pipeline, LLC.	5	1	0	\$0
Plains Pipeline, LP	3	1	0	\$0
PRE Resources, Inc.	2	2	0	\$0
Purisima Hills, LLC.	1	2	0	\$0
RMR	1	0	0	\$0
Santa Maria Energy, LLC	2	1	0	\$250
Sentinel Peak Resources.	1	6	2	\$250
Sierra Resources	1	1	0	\$1,000
Soladino Energy Partners	1	0	0	\$0
Southern California Gas Company	10	4	0	\$0
Temblor Petroleum Company	1	0	0	\$0
Texican Energy Corporation	1	2	0	\$0
Towne Exploration	1	0	0	\$1,000
PetroRock, LLC.	2	6	1	\$250
Venoco, LLC.	3	4	0	\$0
Totals	76	206	68	\$49,500

1. "Stationary Source" means any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. See APCD Rule 102 definition: www.ourair.org/wp-content/uploads/rule102.pdf.

2. Fines received in 2017 are for 94 NOV's that were issued between January 2015 and June 2018.

Attachment 5 – cont.
APCD Oil & Gas Inspections and Notices of Violation

2018				
Operating Company	Number of Stationary Sources¹ Inspected by APCD	Number of Inspections Conducted by APCD	Number of Notice of Violations Issued by APCD	NOV Penalties Received²
Addison Natural Resources, Inc.	1	0	0	\$0
B.E. Conway Energy, Inc.	7	1	0	\$250
California Asphalt Production (formerly, Greka Refining Co.)	1	7	4	\$0
California Resources Production	1	0	0	\$0
California State Lands Commission	1	4	0	\$0
Chevron U.S.A., Inc.	1	3	0	\$0
DCOR, LLC.	2	21	2	\$9,375
E&B Natural Resources	2	7	0	\$0
Elysium Russell, LLC	1	1	0	\$0
ERG Resources, LLC.	4	10	0	\$0
ExxonMobil Production Company	1	20	0	\$2,500
Freeport McMoRan Oil & Gas, LLC.	2	21	5	\$72,000
HDT Inc	1	0	0	\$0
HVI Cat Canyon, Inc. (formerly Greka Oil & Gas, Inc.)	12	35	37	\$321,000
Off Broadway Mineral	1	1	0	\$0
Pacific Coast Energy Company LP	1	16	0	\$0
Pacific Operators Offshore, LLC.	1	4	5	\$6,000
Phillips 66 Pipeline, LLC.	5	3	0	\$0
Plains Pipeline, LP	3	1	0	\$0
PRE Resources, Inc.	3	0	0	\$0
Purisima Hills, LLC.	1	1	0	\$5,250
R.M.R. Energy Resources	1	0	0	\$0
Santa Maria Energy, LLC	2	2	1	\$0
Sentinel Peak Resources California, LLC.	1	3	0	\$0
Sierra Resources	1	0	0	\$0
Soladino Energy Partners	1	1	0	\$0
Southern California Gas Company	10	6	0	\$0
Temblor Petroleum Company	1	0	0	\$0
Texican Energy Corporation	1	0	0	\$0
Towne Exploration	1	1	0	\$0
UCSB	1	1	0	\$0
PetroRock, LLC.	2	3	1	\$0
Venoco, LLC.	1	3	0	\$0
Totals	75	176	55	\$416,375

1. "Stationary Source" means any building, structure, facility, or installation which emits or may emit any affected pollutant directly or as a fugitive emission. See APCD Rule 102 definition: www.ourair.org/wp-content/uploads/rule102.pdf.

2. Fines received in 2018 are for 94 NOVs that were issued between January 2015 and June 2018.

ATTACHMENT 6

**ENVIRONMENTAL HEALTH SERVICES, HAZARDOUS MATERIALS UNIT,
CERTIFIED UNIFIED PROGRAM AGENCY (CUPA) 2017– 2018**

EHS Inspections and Notices of Violation 2017-2018

2017		
Operating Company	Facilities Inspected by EHS	Notices of Violation Issued by EHS
Beacon West	1	1
B E Conway Energy	1	0
E&B Natural Res.	2	0
ERG Resources	2	0
Exxon Mobil	0	0
Gitte-ten LLC	1	0
HVI Cat Canyon, Inc.	13	2
PCEC	1	0
Petro Rock	3	0
Pre Resources	0	0
Phillips 66	1	1
Robyn White	1	0
Sentinel Peak Res	1	1
Sierra Resources Inc.	0	0
Soladino Energy	1	0
Venoco	1	0
Total	29	5

2018		
Operating Company	Facilities Inspected by EHS	Notices of Violation Issued by EHS
Beacon West	2	1
B E Conway Energy	1	0
E&B Natural Res.	0	0
ERG Resources	0	0
Exxon Mobil	1	1
Gitte-ten LLC	0	0
HVI Cat Canyon, Inc.	2	1
PCEC	0	0
Petro Rock	0	0
Pre Resources	3	1
Phillips 66	1	1
Robyn White	0	0
Sentinel Peak Res	0	0
Soladino Energy	0	0
Venoco	0	0
Total	10	5

ATTACHMENT 7

DOGGR INSPECTIONS & NOTICES OF VIOLATION, 2017 – 2018

Attachment 7
DOGGR Inspections and Notices of Violation 2017-2018

2017				
Operating Company	Facilities Inspected by DOGGR	Wells Inspected by DOGGR	Notices of Violation Issued by DOGGR	Notices of Determination of Fines Issued by DOGGR
Addison Oil and Gas	0	0	3	0
Amrich Energy, inc	1	5	2	0
BE Conway Energy	0	8	1	0
California Resources Pr.	0	2	2	0
E&B Natural Resources	0	27	5	0
ERG	0	46	19	0
Freeport McMoRan	0	6*	1	0
Golden Gate Oil, LLC	0	0	0	0
HVI Cat Canyon, Inc.	0	32	30	0
KORE Energy LLC	0	0	0	0
Off Broadway Mineral	0	0	0	0
PCEC	0	66	4	0
PRE Resources	0	2	3	0
Sentinel Peak Resources	0	14	6	0
Sierra Resources	0	0	1	0
So. Cal Gas	0	53*	1	0
Towne Exploration	0	5	5	0
Vaquero Energy, Inc.	0	18	1	0
Venoco	1	32	1	0
Total	2	316	85	0

*Some wells inspected multiple times a year.

Attachment 7- cont.
DOGGR Inspections and Notices of Violation 2017-2018

2018				
Operating Company	Facilities to be Inspected by DOGGR	Wells to be Inspected by DOGGR	Notices of Violation Issued by DOGGR	Notices of Determination of Fines Issued by DOGGR
Addison Oil and Gas	0	0	0	1
Amrich Energy, inc	1	3	1	0
E&B Natural Resources	0	37	2	0
ERG	0	68	3	0
Freeport McMoRan	0	4	1	0
Golden Gate Oil, LLC	0	0	1	0
HVI Cat Canyon, Inc.	1	55	38	0
KORE Energy LLC	0	1	3	0
Miocene	0	2	3	0
Off Broadway Mineral	1	2	3	0
PCEC	0	164*	10	0
PRE Resources	0	2	0	0
Santa Maria Energy	0	1	1	0
Sentinel Peak Resources	0	9	1	0
Sierra Resources	0	0	0	0
So. Cal Gas	0	81*	34	0
Towne Exploration	0	3	1	0
Vaquero Energy, Inc.	0	38	13	0
Venoco	2	32	0	0
Total	5	502	111	1

*Some wells inspected multiple times a year.