

Due to the extensive work necessary to fully relieve the emergency situation on State Lease 421, this Emergency Permit describes two phases which are indicative of the two permitting phases that were necessary to complete this project. The SLC and DOGGR found that the oil leak from well 421-2 on November 27, 2000 required immediate action in order to stabilize the well and prevent an oil spill into the ocean. SLC and DOGGR also determined that immediate response actions were necessary in order to stop a methane gas release from well 421-1 and stabilize the well. Both agencies believe that the SL 421 incidents require immediate follow-up corrective action in order to abate the emergency conditions. The Director has reviewed these determinations and found them to be adequate. Therefore, delaying the project until required land use and coastal development permits can be issued will adversely delay prompt response to an emergency. Venoco will be required to apply for follow-up land and coastal development permits 30 days from the date of issuance of this Emergency Permit, at which time the project will be reviewed under CEQA. Pursuant to Zoning Code Section 35-171.5 (3) the issuance of this emergency permit shall not constitute an entitlement to the erection of permanent structures. Due to the complexity of the situation and scope of work required to abate the emergency situation, this permit authorizes work over a 120-day period. The emergency work is described in two sections. The first section (Project History) describes work authorized under the original Emergency Permit, which consisted of laying 2" piping from SL 421-1 and 2 to the Ellwood Onshore Facility for the purpose of depressuring and "killing" the wells. The second section (Project Description) describes work yet to be performed, including necessary road, pier, and well work to stabilize the wells. Combined, this revised emergency permit authorizes necessary repair work to occur on State Lease 421 to abate the emergency situation. The work will result in well stabilization. This revised permit supercedes the original Emergency Permit (00-EMP-006) issued November 28, 2000.

PROJECT SUMMARY

1.0 Project History

Venoco, Inc. owns two idled wells at State Lease 421, a water injection well which occupies pier 421-1 and an oil production well which occupies pier 421-2. Both wells have been idle since 1994 when a pipeline extending from the lease leaked, resulting in an oil spill of approximately 170 bbls onto the Sandpiper Golf Course near the coastal bluff. The piers are located immediately east of Sandpiper Golf Course and extend offshore (See Figure 1). An existing dirt road provides access to the piers. Issues with the wells on both piers arose during the same week of November 22, 2000 and require road access in order to correct these problems in an efficient and safe manner. A methane gas leak was detected on well 421-1, while 421-2 experienced an oil leak induced by a routine fluid level check. Emergency actions taken to date have substantially lessened threats to the air and marine environment.

On November 22, 2000, an Air Pollution Control District (APCD) inspector discovered a small gas leak on the injection well on pier 421-1. Venoco believed the leak source to be in the casing valves and fittings below the fluid level in the cellar. The leak was indicated by bubbles surging upward through contained sea and rainwater in the well cellar. Venoco needed to drain the 20-foot cellar to locate the source, which they believed to be a valve assembly within the cellar. The gas was routed via the temporary 2" pipeline to the Ellwood Onshore Facility (EOF) to depressure the well and repair the leak.

The water from the well cellar was pumped into an existing crude oil storage tank located on pier 421-1. During a site inspection, however, APCD and Planning and Development (P&D) staff noticed that the tank was leaking into secondary containment. Sludge was found on top of the tank's contained water. Staff directed

Venoco to take a sample and test the tank contents to give a clear indication of what was leaking from the tank. Subsequently, Venoco pumped this water through a line of 2" piping, initially set up to depressurize the production well on pier 421-2. Removal of water from the tank was accomplished on December 3, 2000.

Pier 421-2 contains a production well that has been inactive since 1994. California Department of Oil, Gas, and Geothermal Resources (DOGGR) regulations require that Venoco Inc. perform routine fluid level checks on the well. The fluid height within the casing is determined by sending an acoustic wave down the well. The resultant acoustic wavelengths are measured to provide an accurate representation of fluid level depth from the surface. While conducting a fluid check on the 421-2 well on the afternoon of November 27, 2000, an oil leak resulted from the combined pressure and the corroded condition of the steel piping. Oil leaked from a 2" nipple on the opposite side of the casing above the well at a rate of one gallon per hour. Clamping the pipe restricted the flow volume and the released flow, which totaled approximately 15 gallons, was contained within a drum. Secondary containment equipment ensured that no oil reached the ocean. Shortly after the valve assembly was welded to the casing on the evening of November 29th, the leak stopped.

2.0 Project Description

2.1 Phase 1

These recent occurrences at SL421 revealed the corroded condition of the wells occupying the piers and the danger they pose to the adjacent marine environment. In order to eliminate these dangers, the County approved specified actions via an emergency permit on November 28, 2000. Venoco was authorized to temporarily lay two sets of 2" hard piping. The first line leads from the production well on 421-2 along the ocean side of the Lease 421 access road back to the Ellwood Onshore Facility (EOF) and serves to depressurize this well. As pressure builds on the well casing, oil is directed back to the oil sump located near the pig receiver in the southwest corner of the EOF via the 2" piping.

Under the original Emergency Permit, Venoco was authorized to lay a second line of 2" piping in order to begin a process known as "killing the wells". A 100-bbl capacity truck, stationed at the gate preceding the extended road out to the piers, was to feed brine solution (salt water) into the piping. This second pipe runs between the wells and back to the nearby gate that is located at the start of the access road. The brine water solution was to circulate through this piping and be routed to both wells creating a weighted column over the formations to restrict product flow. Venoco anticipated that "killing the wells" would require two weeks and use approximately 300-400 barrels of brine solution to complete the process. It is unknown how long this weighted column of water would keep the wells in a dead condition (i.e., keep pressure from building back up on the well casing). The process of "killing the wells" was later abandoned due to reasons explained in Phase 2 below.

These recent developments prompted the State Lands Commission (SLC) to issue a list of requirements concerning well repairs. Their letter, dated December 1, 2000, is included as Attachment A. The Emergency Permit approved on November 28, 2000 allowed Venoco to follow a specified course of action which does not include further roadwork, nor does it approve actions that impact the nearby wetlands area. Pursuant to Article II, Section 35-171, Venoco is required to provide necessary information to secure the appropriate follow up permits to conduct this work within 30 days.

SLC issued a subsequent letter December 5, 2000, (Attachment B) expressing the urgency of the matter and that plans for the lease should be discussed with SLC immediately. Venoco responded to the request on December

11, 2000, with a letter addressed to the Energy Division that detailed extensive improvements to the access road, piers, and wells ascertained as necessary to meet SLC requirements. The request was grounded in the assessment that the wells' corroded condition posed imminent environmental risk. The SLC issued two subsequent letters calling for immediate remedial action and verifying that the actions were necessary to prevent an oil spill into the marine environment dated January 8th and February 14th, 2001 (Attachments C & D). The objective of the remaining repair work is to rectify the emergency situation and will result in well stabilization. The SLC's demands will affect a complete overhaul of the equipment on SL 421, described herein. In response to the SLC's urging, the Energy Division gave Venoco written permission to perform necessary emergency repairs to the SL 421 access road from Sandpiper Golf Course to Pier 421-1 in a letter dated January 10, 2001. To stabilize this first portion of the road, installing 445 tons of rip rap rock, 420 tons of float rock, and 562 tons of base gravel was necessary. The stabilization work was completed February 7, 2001. No other repair work has been performed on SL 421 since that date.

Venoco has monitored well pressures daily since the leaks were detected in late November 2000. Of the two lines laid along the access road, one line has been used for periodic well depressuring to maintain safe, low well pressures. Since its installation, the 2" line has been used to bleed off well pressure directing 5,341 bbls of oil combined from both wells to the EOF. (Although SL 421-1 is a water injection well it, too, has flowed oil since November 2000.)

The second line, originally laid to assist in "killing the wells", has gone unused. After further evaluation of the SL 421 situation, as explained in a letter from Venoco dated February 27, 2001, Venoco determined that injecting brine water downhole to "kill the wells" would potentially increase well pressures and augment risks to the air and marine environments. The SLC provided technical confirmation of this concern in a letter issued March 1, 2001 (Attachment E). The letter states that injection of brine would only offer a temporary solution, because the wells would re-pressure over time if killed without mechanical reconfiguration. Natural flow from both wells can definitively be restricted through the installation of packers and subsurface safety valves downhole. SLC and DOGGR, who have expertise and regulatory authority over down hole well work, agree that well killing should only be carried out once a rig can obtain access to the well to handle any pressure surges or any mechanical failures that could result in an oil spill.

Because of the risks involved and lack of access to control an uncontrolled release from the wells, Venoco did not kill the wells with the brine solution. Through this Emergency Permit, the Director of Planning and Development conditionally approves the emergency permit necessary to accommodate the more comprehensive work plan, required by both SLC and DOGGR, that will effectively reduce risks to the marine environment and result in lasting well stabilization.

The remaining work to be performed will occur in three phases, beginning with the roadwork, followed by pier and caisson repairs, and culminating in the wells' stabilization. The revised permit and added conditions will ensure that the work performed includes the minimum amount necessary to resolve the emergency situation and satisfy the demands of the SLC and DOGGR.

2.2 Phase 2

2.2.1 Access Road Repairs

The access road between SL 421-1 and SL 421-2 has been severely eroded and is in need of major road repair. Upgrades to the road are necessary for repair rigs to safely obtain access to the piers and wells, as stated in a letter from DOGGR dated February 14, 2001 (Attachment F). The current condition of the access road does not provide a safe, passable route for the 80,000 lb well servicing unit or other large cranes and heavy work trucks needed for the well repairs. During road repairs, all repair equipment will either be staged at the EOF or at the gate preceding the access road within Venoco's easement. The following equipment will be utilized to complete the road repair work: excavator, grading tractor, front end loader, backhoe, compactor, road grader, 10 wheeler trucks, and a 2000 gallon water truck.

The remaining road work will include the placement of approximately 200 tons of rip rap within the gaps of the existent beachside rock revetment, which will enhance road stability and afford protection from wave erosion. The rip rap will be put in place from the existing road using a track backhoe. This operation will not result in expansion of the revetment, only reinforcement. No further seaward encroachment is allowed. Venoco is prohibited from extending the existing revetment. In addition, the access road will be graded and compacted and then topped with at least 3" of road base gravel. Float rock will be installed beneath the road base in areas with poor subsurface drainage. Venoco anticipates using 100 tons of both road base and float rock to adequately secure the road for heavy equipment travel between SL 421-1 and SL 421-2. Road construction will be limited to a 12 ft width by placing silt fencing on the beachside and stakes placed every 5 meters on the inland side. The 12 ft road width will be maintained during the entire repair operation. A County on-site monitor as well as reflectors placed along the roadside will ensure adherence to the 12 ft width. Venoco has presently completed the roadwork up to pier 421-1 in accordance with these standards. Venoco anticipates the remainder of the road work between 421-1 and 421-2 will require 2 weeks.

The access road crosses three wetland areas of concern. The Energy Division has required a wetland delineation, content and distribution report, which shall be completed for Venoco by URS Corporation. Venoco shall also investigate feasible alternatives to reduce or avoid impacts to the wetlands. All three wetland areas, totaling 6,125 square feet, contained hydrophytic vegetation, wetland hydrology, and hydric soils. The Santa Barbara County wetland definition requires only one of those three criteria to be present. All three criteria are present in each wetland.

As part of this Emergency Permit, Venoco is required to either develop an off-site wetlands restoration plan or participate in funding of an existing nearby wetlands restoration effort. The total area of impacted wetland will be calculated once the repair work has been completed. A 3:1 replacement ratio will apply to the first and second wetland areas, while a 5:1 ratio will apply to the larger, more significant third wetland area to account for temporal loss of wetland habitat. A full time Environmental Quality Assurance Program (EQAP) biological monitor, under contract to the County, will submit reports and photographs documenting all damaged vegetation. Upon permanent well abandonment, Venoco is required to remove the access road and recontour the area to pre-project conditions such that the impacted wetland may be reestablished.

Two wetland sections lie within the road preceding pier 421-1. These two wetlands combined total 475 square feet. Venoco attempted to engineer a means of bridging these two wetland areas to protect them in-situ. However, it was determined that a bridging alternative would cause impacts comparable to filling, because

significant excavation would be required in order to reach a depth of solid road base. Venoco demonstrated to Planning and Development's satisfaction that the bridging mechanism and the rock-fill method would result in equivalent wetland damage. Due to this understanding, these wetland areas were filled in with float rock and road base.

The third wetland at the end of the access road is more substantial, covering 5,855 square feet. The presence of hydrology and wetland vegetation is significant. Venoco projects that 18% (1,071 square feet) of that wetland will be impacted through installation of rock base in the area to provide an adequate road and load-bearing surface. While more protective bridging alternatives were also considered for this wetland area, Planning and Development concluded based on information provided from Venoco and its engineering contractor, Thomas & Beers Engineers, that the bridging alternative is inadequate, unsafe, and impractical. Bridge construction would require working inward from the eastern side of the road and would require construction and excavation equipment driving over and destroying additional wetland. Venoco's February 7th submittal concluded that sufficient stabilization will require removal of topsoil and biomass in this wetland area, ranging between 6" and 2.5' depending on the depth where solid base is reached. Three layers of rock will be used to fill the excavated area, angular large rock (4"-12" size rock), crushed rock (2" size rock), and a final 3" layer of road base to complete the surface construction of the area.

Following the completion of the road repairs, Venoco will fortify the access road approach at Pier 421-2 prior to beginning pier and well repair work. Venoco stated in a letter issued February 20, 2001, that the present condition of weak soils at the pier approach may result in excessive subsidence as a vehicle drives over the area, or produce lateral earth pressures that may exceed the residual strength of the seawall at 421-2. The sub-surface soil conditions at the approach to the pier will be critical to ensure vehicle stability as the vehicle transitions from land onto the pier. Precautionary stabilization will consist of a Cat 320 excavator removing a trapezoid soil volume of 120 cubic feet and backfilling the area with large boulders, cobbles and base. One hundred tons of base rock and twenty-five tons of both float rock and base gravel will comprise the backfill material. An interlocking steel sheet piling will be driven behind the seawall along the width of the pier to provide additional strength. The sheet piling will be .250" thick or slightly greater and will be placed by the crane and driven to a final depth by a vibratory hammer. The sheets will be inserted in an interlocking configuration to provide solid face behind the old wooden seawall. This will mark the completion of the road stabilization work.

2.2.2 Pier Repairs

Pier work will begin immediately upon completion of the road repairs. The piers must be fortified in order to support the weight of the well repair rigs. All fences will be removed from the pier and caisson area, while the handrails will be repaired or replaced as necessary. The contractor will begin pile driving at the landward ends of Piers 421-1 and 421-2 by cutting openings and driving piles through the existing deck prior to complete removal of the decks. A 56,000 lb. crane and a 7,922 lb. pile driver will be used to key-in the piles. The pile driver is a tool which generates a noise level of 100 dB(A) at 23 feet. Twenty-five 12" diameter pipe piles will be installed aside the existing piles at each pier for further fortification. The piles will be driven approximately to a depth of 25 feet below the surface or to impact refusal. The contractor will move between the two piers until all the piles are driven to the seaward end of the piers. Pile-driving activity will occur over an estimated period of 10 days, broken into at least four separate periods of time. A Rough Terrain Crane, Welding Truck, and two other work trucks will mobilize for the demolition stage of the pier work. All rotten or damaged deck planks and wooden joists will be identified and removed. The final pier repairs will consist of the installation of new steel joist sections and replacement of the damaged wooden joists and deck planks. All fences and

handrails will be reinstalled. The pier fortification work plan was devised by both Fairweather Pacific, LLC and Irwin Industries and can be found in Venoco's December 11th and February 20th submittals, respectively.

The caissons also need to be strengthened to handle the weight of the workover rig. This work operation will require an Excavator, Vacuum Truck, Caisson Drilling Truck and Jack Hammer/Compressor and/or concrete saw and will focus on strengthening the cellar walls and providing a safe, strong setback slab for the rig support. The work will require 4 weeks. To accomplish this, equipment will be removed from the caisson. Backfill will be excavated from the area to install a new set back slab as well as new concrete pillars. The well cellars will be revamped and reinforced, as deficient materials are replaced and solid soils are reached. Timbers and braces will be replaced as needed. The caisson fortification plan was submitted by Fairweather Pacific, LLC with Venoco's December 11th letter.

2.2.3 Well Stabilization

After completion of the above described work, the piers and caissons will be appropriately secured and able to handle the weight of the well repair rigs, namely the 80,000 lb Ideco doubles and 35,000 lb wire line unit necessary to perform the well work. The well work will be conducted in two phases: killing the well and well repair. Well stabilization will begin on 421-1 and once completed equipment will proceed to 421-2. The wells will be killed to prepare the well bores for the repair work to follow. During the kill phase, access to the well areas will be secured, old down-hole equipment will be inspected and removed, and down-hole conditions will be recorded to determine the scope of the upcoming repair work. This work is detailed in Fairweather Pacific's PRC 421 Execution Plan attached to Venoco's December 11th letter.

As stated by SLC in their March 1st assessment (Attachment E), effective well stabilization will be accomplished through installing both packers to close the annulus between the tubing and casing and surface-controlled subsurface safety valves to close the tubing below the surface in the event of an emergency. The SLC has cited The California Code of Regulations, Title 2, Article 3.3, Section 2132, (a)(6) and (8), to show that all wells capable of natural flow, as wells 421-1 and 421-2 are, must be equipped with a tubing packer and surface-controlled subsurface safety valve.

Repairs are specific to the two different types of wells, the injection well on Pier 421-1 and the production well on Pier 421-2, and require different procedures but much of the same equipment. Repair work on 421-1 will result, to the extent necessary, in the replacement of the well head, and the installation of valves and connections for monitoring well pressures and conditions and assisted by the use of a hydro-crane. All work will be done in accordance with DOGGR/SLC prescribed procedures.

Repair work on well 421-2 will commence with the removal and disposal of the pumping unit. The same hydro-crane used on 421-1 will be utilized for the subsequent operations on 421-2. Cementing equipment will only be necessary and mobilized to the lease in the case that damaged casing must be repaired. An inner casing string will not be installed unless the casing is unable to hold pressure. The work on 421-2 will also culminate in the installation of a new well head, valves and connections for monitoring well pressures and conditions and will be completed according to DOGGR/SLC procedures.

3.0 Project Schedule

Venoco will conduct repair work 6 days a week (Monday-Saturday), with the option of working on Sundays, in order to complete the repairs as expeditiously as possible. The road repair work from the gate preceding the 421 access road up to pier 421-1 required 3 weeks. The remaining road repair work from pier 421-1 to pier 421-2 will require an additional 2 weeks. This five week period will ensure passable and safe road conditions for the pier, caisson, and well repair equipment. Pier repair will require 6 weeks, while caisson reinforcement will last 4 weeks. The final stage, well stabilization, will require 2 weeks. All work will be performed during daylight hours.

In total, Venoco's work operations for the remainder of the SL 421 repairs will be completed within 14 weeks (98 days) from the time of project commencement, weather permitting.

4.0 Project Equipment Needs

In order to carry out the repair operations detailed within this project description, Venoco will utilize the following equipment for the listed repair stages:

<u>Road Repairs</u>	<u>Pier Repairs</u>	<u>Well Stabilization</u>
Excavator	56,000 lb. Crane	80,000 lb. Ideco Doubles Rig
Grading Tractor	7,922 lb. Pile driver	35,000 lb. Wire Line Unit
Front End Loader	50 Piles	Cementing Equipment
Backhoe	Welding Truck	Vacuum truck
Compactor	2 Work Trucks	Mud Pump
Road Grader	Excavator	500 barrel Baker Tank
Cat 320 Excavator	Vacuum Truck	
10 Wheeler Trucks	Caisson Drilling Truck	
2000 Gallon Water Truck	Jack Hammer/Compressor OR	
	Concrete Saw	
	45,000 lb. (25) ton Crane	
	Rubber Tire Fork Lift	
	Portable Toilet Trailer	
	2 Ton Fire Water Truck	

The road work completed thus far resulted in 79 truck trips to SL 421. Venoco estimates that the remaining road work will require 16 truck trips to the site, totaling 95 truck trips for the entire road repair operation.

In consideration of all the equipment necessary to accomplish the prescribed work plan, Venoco will also abide by an equipment traffic plan to preserve the integrity of the access road and minimize impacts due to the project. Venoco will stage the equipment in identified and approved staging areas.

FINDINGS OF APPROVAL

Section 35-171.2, of Article II states that the Director may grant an Emergency Permit upon reasonable terms and conditions, including an expiration date, a requirement for a subsequent Land Use Permit, and a requirement for any discretionary permit required by this Article, if the Director finds that:

- A. *An emergency exists and requires action more quickly than provided for by the procedures for permit processing, and the action will be completed within 30 days unless otherwise specified by the terms of the permit;*

The SLC and DOGGR have found that the emergency response to the oil leak from well 421-2 on November 27, 2000 required immediate action in order to stabilize the well and prevent an oil spill into the ocean. SLC and DOGGR have also determined that immediate response actions were necessary in order to stop a methane gas release from well 421-1 and stabilize the well. The Director has reviewed these determinations and found them to be adequate. Therefore, delaying the project until required land use and coastal development permits can be issued will adversely delay prompt response to an emergency. Due to the complexity of the situation and scope of work required to abate the emergency situation, this permit authorizes work over a 120-day period. Follow-up permits, a Final Development Plan Modification and a Coastal Development Permit, pursuant to Article II, are required for the project.

- B. *Public comment on the proposed emergency action has been reviewed; and*

This emergency permit, as well as any and all follow up permits, will be noticed according to the permit procedures outlined in Article II of the Coastal Zoning Ordinance, thus allowing opportunity for public comment. In addition, the Emergency Permit will be posted at three conspicuous locations along the perimeter of the property. The Ordinance does not require public noticing before emergency actions can begin. However, comments from Venoco and Sandpiper Golf Course representatives have been considered by the permitting agencies and additional conditions have been placed in the permit as a result.

- C. *The action proposed is consistent with the requirements of the Comprehensive Plan and Zoning Ordinance.*

The primary goal of the Comprehensive Plan is to safely protect, maintain and restore the environment, including both the natural and man-made environment. In order to ensure the protection of the health and safety of the public and the preservation of the environment, Venoco is required to maintain the safe operations of all its facilities, which includes restoration work in the event of upset conditions. The County's Zoning Ordinance was established to set standards for orderly development that provides for the protection of the health and safety of the general population. The emergency action taken by Venoco is permitted under Article II, which recognizes that certain actions warrant immediate, special consideration in order to lessen or remediate an emergency. Article II also provides that the emergency action will be subject to the normal restrictions imposed under the Zoning Ordinance within a reasonable amount of time.

The SL 421 repair operation will result in wetland impacts. Although Local Coastal Plan and Zoning Ordinance policies restrict development in wetland areas, Section 30233 of the California Coastal Act

states that the diking, filling, or dredging of wetlands in relation to energy and coastal-dependent industrial facilities, shall be permitted where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects. The Energy Division looked at alternatives, specifically protective bridging mechanisms, to avoid wetland impacts. However, due to the size and weight of the necessary repair equipment, as well as the limited workspace, some wetland impact will result. The approved work plan constitutes the least damaging alternative. Any wetland impacts will be the result of abating an emergency situation and protecting the marine environment adjacent to the project area from an oil spill. All of this damaged wetland area will be incorporated into an off-site mitigation project to account for the temporal loss of wetlands until the wells are permanently abandoned. Upon permanent abandonment of the wells, Venoco is required to restore the wetlands onsite. This constitutes maximum feasible mitigation.

Impacts to off-site resources from emergency work will be mitigated by the imposition of permit conditions. The project is found consistent with resource protection policies since all feasible mitigation has been incorporated into the project. Planning and Development will review the project more carefully during the FDP permit review and impose additional conditions as necessary.

CONDITIONS OF APPROVAL

1. The Emergency Permit shall expire 120 days after the issuance of such permit. In addition, the applicant shall apply for the permits (discretionary and ministerial) that are otherwise required within 30 days of issuance of this emergency permit. All information required for a complete application shall be provided within 30 days of this Emergency Permit.
2. This Emergency Permit is based upon and limited to compliance with the Project Description, as described in section 2.0 of this Emergency Permit, and conditions of approval. Venoco shall not deviate from the project description, exhibits or conditions unless such deviation is reviewed and approved by the County and determined to be in conformity with this permit. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval will constitute a violation of the permit.

The grading, development, use and maintenance of the property, the size, shape, arrangement and location of structures, staging areas, and restoration areas, and the protection of resources shall conform to the project description as described in Section 2.0, the application materials provided by Venoco on December 11, 2000; January 4, 2001; February 7, 2001; February 20, 2001; February 27, 2001; March 1, 2001; and March 7, 2001 and the conditions of approval. The property or any portions thereof shall be sold, leased or financed in compliance with this project description and the approved conditions. All plans (such as Off-site Wetlands Restoration Plan, Emergency Response Plan, Traffic Minimization Plan) shall be submitted to Planning and Development for review and approval.

3. Venoco, Inc. shall defend, indemnify and hold harmless the County or its agents, officers and employees from any claim, action, or proceeding against the County or its agents, officers or employees, to attack set aside, void or annul, in whole or in part, the County's approval of the Emergency Permit. In the event that the County fails promptly to notify the applicant of such claim, action, or proceeding, or that the County fails to cooperate fully in the defense of said, this condition shall thereafter be of no further force or effect.
4. In the event that any condition imposing a fee, exaction, dedication or other mitigation measure is challenged by the project sponsors in an action filed in a court of law or threatened to be filed therein which action is brought within the time period provided for by law, this approval shall be suspended pending dismissal of such action, the expiration of the limitation period applicable to such action, or final resolution of such action. If any condition is invalidated by a court of law, the County shall review the entire project and substitute conditions may be imposed.
5. Venoco shall obtain all other necessary federal, state and local permits necessary for this project. All work performed shall be in accordance with the requirements of all other applicable federal, state and local agency codes and regulations.
6. The Director may order an immediate suspension of all or part of the work authorized under this permit if the Director determines that such action is necessary to avoid or mitigate significant impacts to health and safety or the environment. Additional conditions may be imposed to mitigate such impacts.

7. Staging, parking, and access of equipment shall be limited to the EOF, the gate preceding the access road, or on the perimeter access road immediately west of the EOF. If additional staging or parking is required, Venoco shall provide a map and description of any such additional space for review and approval by Planning and Development. No equipment shall be allowed on the beach.
8. Prior to any work on the piers, Venoco shall provide P&D with the final SLC/DOGGR approved workplan for completing the remedial work required by the State Lands Commission letters dated December 1, 2000 and February 13, 2001. The work plan shall include specifics on the types and sizes of equipment necessary to perform the work.
9. No grading work of or improvements to the access road shall occur beyond those described in Section 2.2.1 of this Emergency Permit.
10. Prior to beginning any work, Venoco shall provide copies of its: (1) detailed work plan for the repair work, location of the specific work activities, anticipated impact on the Golf Course, the timing of the work and any other pertinent information to Sandpiper Golf Course Management, (2) Traffic Minimization Plan, as described in Condition #37, (3) Emergency Response Plan, as described in Condition #29, and (4) Site Safety Plan, as described in Condition #35. Prior to project commencement, Venoco and Sandpiper Golf Course shall consult on the terms of the aforementioned plans over a course of 48 hours. If agreements are not reached, the project will go forward as directed by the County.
11. For that portion of piping crossing the Sandpiper Golf Course, Venoco shall wrap with reflective tape, or otherwise make clearly visible, the piping so as to minimize the tripping hazard.
12. Venoco shall visually inspect the temporary piping by walking the line every two hours while it contains oil in order to ensure there are no leaks. Venoco shall maintain a log at the EOF control room of its visual monitoring effort and make it available for County inspection upon request.
13. Venoco shall submit a plan to the SSRRC for approval for safely purging and dismantling the 2" piping prior to its removal.
14. Venoco shall provide P&D with laboratory results of the sample taken from the leaking storage tank immediately upon receipt.
15. The entire length of the SL 421 access road proposed for repair shall be staked on both sides approximately every 5 meters at a 12 foot width to establish specific limits of construction. The road shall not exceed 12 feet in width.
16. Supplemental rock shall only be used to fill in gaps on the landward edge of the existing revetment that lies seaward of the access road for the purpose of road stabilization. The replacement of rip rap shall not extend past the base of the existing rip rap towards the beach.
17. Venoco shall submit a wetlands delineation report prior to beginning construction in these areas that documents the contents and distribution of the three wetland areas to be impacted by the proposed construction. This report shall specify the total areas of each of the three individual wetlands and their

respective wetland elements, including vegetation characterization and delineation. This information will be used to develop mitigation, including off-site restoration.

18. Prior to road work in the area of the third wetland at the end of the SL 421 access road, Venoco shall prepare a Wetland Impact Minimization Plan, that minimizes impacts to the greatest extent feasible, for P&D approval.
19. Venoco shall develop an Off-site Wetlands Restoration Plan for restoring wetlands similar in nature and, if feasible, in proximity (Bell Canyon area) to those impacted by this project. Venoco shall be responsible for restoring wetlands on a 3:1 basis for those impacted wetlands located on the access road west of SL 421-1 and a 5:1 basis for the wetland impacted immediately north of SL 421-2. The restoration plan shall be submitted to P&D for review and approval within 60 days of issuance of this emergency permit. If an existing Wetlands Restoration Program in the area already exists, Venoco may elect to contribute funds, in an amount deemed sufficient by the Director of P&D, to cover the off-site wetland mitigation project. These funds shall be provided no later than July 1, 2001.
20. Venoco shall allow an Environmental Quality Assurance Program (EQAP) monitor, under contract to the County, access to the project site at all times during project operations to monitor Venoco's compliance with this permit. Venoco shall fund all County expenses associated with the EQAP contract.
21. Prior to project commencement and within one week after project completion, Venoco shall photograph the project area to document any changes in vegetation and landform.
22. Venoco shall hire a qualified biologist to record, in writing and by photographs, all damage to or destruction of native vegetation caused by project activities. The species impacted, date, time location, size (area) of impact, and activity contributing to the damage or destruction shall be recorded on a daily basis. Within two weeks of project completion, the applicant, with the assistance of the County's EQAP monitor, shall submit a written report incorporating the above information and the pre- and post-disturbance photographs required in Condition #21.
23. Venoco shall install silt fencing along the entire length of the seaward edge of the SL 421 access road for the duration of the construction period to minimize erosion and limit sedimentation of receiving waters. If, in the judgement of County's EQAP monitor, additional erosion control is necessary, Venoco shall install additional devices to minimize erosion in a joint determination by Venoco and the EQAP monitor.
24. Grading operations shall be conducted so as to minimize cut and fill volumes to the extent feasible. Excavated material shall be used on-site as fill material wherever possible to reduce offsite truck trips.
25. Venoco shall keep dust generated by the repair activities to a minimum with a goal of retaining dust on the site. During clearing, grading, excavation, or transportation of cut or fill materials, a water truck should be used as needed to prevent dust from leaving the site and to create a crust after each day's activities cease.

26. Venoco shall minimize the need for on-site refueling to the maximum extent feasible. If on-site refueling is required, Venoco shall submit, for County approval, a refueling procedure.
27. Venoco shall install protective devices, such as drip pans, under heavy equipment when standing by to ensure that fuel or fluid leaks do not contaminate soil or groundwater.
28. Equipment shall be inspected daily for fuel or fluid leaks. Leaking equipment shall be repaired or replaced immediately.
29. Venoco shall develop and have approved an Emergency Response Plan specific to the SL 421 repair operations. The Plan shall be on-site for prompt reference during the operations that the plan describes.
30. All critical well operations (i.e., those involving the risk of an oil spill) shall be identified in the Emergency Response Plan.
31. Venoco shall maintain two trailers available for immediate response during the pier and well repair operations. One trailer shall be staged on either Pier 421-1 or 421-2. The second trailer shall be staged at the EOF. All equipment listed in "Appendix I : Equipment Lists" of Venoco's Emergency Plan shall be maintained and ready for use.
32. When removing the well head, Venoco shall have an emergency response vessel standing by, in immediate proximity to Lease 421, to deploy boom in case of an oil leak.
33. A vacuum truck shall be standing by on-site or at the EOF for response during the well repair operations.
34. During pier and well demolition and repair, a debris log shall be maintained on site. All fallen debris shall be recovered, unless otherwise allowed by regulatory agencies due to safety considerations.
35. A Site Safety Plan and all relevant permits shall be on site during repair operations and a copy shall be provided to Sandpiper Golf Course. This Plan should address site security issues as well. During all critical operations the designated safety officer shall be on site as well.
36. Venoco shall notify Fire Station #11 24 hours prior to critical operations, as defined in the Emergency Response Plan.
37. Venoco shall submit and have approved by the Energy Division a Traffic Minimization Plan that provides a detailed schedule of all heavy equipment traffic into and out of the site. The plan shall, to the extent feasible and without compromising safety, minimize the amount of heavy traffic into the site. A draft copy of the plan shall be submitted to the adjoining landowners at the same time it is submitted to the County.
38. Access along the SL 421 access road shall be restricted to one way, ingress and egress, travel. Vehicles shall only turn around on the piers or prepared surfaces.

39. To mitigate impacts to coastal scrub vegetation along the access road, Venoco shall enhance the existing coastal scrub habitat by removing exotic species along the upland side of the road. Species targeted for removal shall include castor bean, tamarisk, and iceplant. Methods of weed removal shall ensure that the work does not contribute to destabilization of the bluff or seaward road embankment.
40. Prior to the start of work authorized by this permit, Venoco shall submit and have approved by the Energy Division a map showing location of (1) staging areas, (2) turnarounds, and (3) oil spill response trailer locations.
41. Venoco's final approved work plan shall include a description of the use of guy wires and anchoring methods to be followed to secure the well rig and a map showing the location and positioning of the wires and anchors.
42. Venoco shall allow unrestricted access to authorized Santa Barbara County representatives during construction and repair operations on SL 421.
43. Venoco shall include all conditions of this Emergency Permit, including the Project Description, in its contracts with contractors to perform road, pier, and well work. Evidence of such contract language shall be provided prior to the start of construction activities for repair phase.
44. Venoco shall develop a checklist that describes all of the condition requirements of this Emergency Permit, the timing of the requirement, and who is responsible for instrumentation and documentation. The checklist shall be submitted to the Energy Division for approval prior to the commencement of construction. This checklist should be reviewed and discussed at a pre-construction meeting with the EQAP monitor, construction contractors, and both Venoco and Energy Division representatives present. Venoco shall also develop a detailed schedule for construction work for review at the pre-construction meeting.
45. Venoco shall provide the Energy Division with construction status reports on a weekly basis. The report shall detail: (1) work performed that week; (2) work projection for the week ahead; (3) any problems encountered or changes necessary to the work plan; and, (4) the amount of oil directed through the 2" piping (if any) and dates on which this occurred, as required in Condition #47.
46. After completion of the repair work necessary for the wells, and when directed to do so by the Director of Planning and Development, Venoco shall remove the 2" lines running from the wells to the EOF.
47. Within 60 days of project completion, Venoco shall submit a set of "as-built" plans for the road and pier structures certified by a California registered civil engineer.
48. This permit is intended solely to prevent damage to natural resources from an oil spill. Oil flow from SL 421-1 and 2, under this permit, shall be limited to depressuring of wells. This permit does not entitle Venoco to resume production of either well. Resuming well production will require separate permits from P&D as necessary and appropriate environmental review. Venoco shall notify the Energy Division prior to any use of the 2" line for oil transmission and upon completion of its use. Venoco shall keep a log of the 2" line activity, documenting purpose, date, start and end flow time and total flow volume for each use and provide this information to the Energy Division.

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Project Address: Venoco Inc., 7979 Hollister Ave., Goleta, CA 93117

APN: 079-210-059

49. Upon permanent abandonment of wells SL 421-1 and SL 421-2, Venoco shall remove the road base at the end of the SL 421 access road and regrade this area to its natural contour, such that the impacted wetland may reestablish.

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