

**ATTACHMENT A.9**

**PXP Letter to P&D dated April 18, 2008**

# PXP

## Plains Exploration & Production Company

Steven P. Rusch, P.E.  
Vice President Environmental, Health,  
Safety & Governmental Affairs  
Direct: 323.298.2223 Fax: 323.296.9375

April 18, 2008

Mr. Doug Anthony, Deputy Director  
Santa Barbara County  
Planning & Development, Energy Division  
123 East Anapamu Street  
Santa Barbara, CA 93101

RE: PXP Request for Greenhouse Gas Emissions Provisions to be Incorporated into  
Tranquillon Tranquillon Ridge Oil and Gas Development Project

Dear Mr. Anthony,

Per our previous communications, PXP hereby officially requests that the following provisions be incorporated into the above captioned project.

PXP shall arrange for a facility-wide GHG emissions audit of Platform Irene and the LOGP, to be completed within six months following initial production of the Tranquillon Ridge Project. The audit shall be conducted by an independent consultant, in order to identify measures that would help improve energy efficiency, reduce energy consumption and otherwise reduce GHG emissions. Such measures may include, but are not limited to, consideration of the following: reductions in the heater treater emissions, reductions in vehicle and vessel emissions, extension of fugitive hydrocarbon inspection and maintenance programs to components that are in methane and ethane service, and assessment of CO<sub>2</sub> capture and liquefaction. The independent consultant shall quantify the reduction in emissions that can be achieved by such measures, and the cost of such measures. PXP shall implement any of those measures that can be implemented at a cost not to exceed \$20 per ton on a one-time basis, i.e. not to exceed a total cost to PXP of \$298,507. Such measures shall be initiated within six months following the completion of the audit and properly maintained thereafter.

On or before March 1 following PXP's implementation of the measures described above, and on or before each March 1 thereafter until the Tranquillon Ridge end date, PXP shall calculate the actual amount, if any, of net emissions that remain after implementation of measures identified as feasible in the audit. PXP shall report the annual net

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GHG emissions to the Santa Barbara County Air Pollution Control District (SBCAPCD) as part of PXP's annual reporting requirements. SBCAPCD shall verify the emissions accounting and make any necessary corrections. PXP will then offset these residual emissions each year at a rate of \$10 per ton (in 2008 dollars) for the life of the project. The annual funds will be offered to an entity such as the Climate Trust or California Wildfire ReLeaf for GHG mitigation projects.

PXP may apply for emission reduction credits for reductions of criteria pollutant (NO<sub>x</sub>, SO<sub>x</sub>, ROC, CO, PM) emissions achieved through the projects and activities funded pursuant to this condition to the extent allowed under any applicable local district, state or federal statute or regulation. PXP's obligations under this condition do not change the character of any such criteria pollutant emission reduction that would otherwise qualify as "surplus" within the meaning of the Rules and Regulations of the Santa Barbara County APCD.

Should you have any questions, please contact me at (323) 298-2223.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steve Rusch, for".

Steve Rusch  
Vice President, EH&S and Government Affairs