



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 and  
Development  
Department No.: 053  
For Agenda Of: April 22, 2014  
Placement: Administrative  
Estimated Time: N/A  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Glenn Russell, Ph.D. Director, (805) 568-2085  
Director(s)  
Contact Info: Kevin Drude, Deputy Director, (805) 568-2519  
**SUBJECT:** Pacific Coast Energy Company Seep Can #94 Emergency Permit  
14EMP-00000-00003; Fourth Supervisorial District

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** N/A

As to form: No

**Recommended Actions:**

**Auditor-Controller Concurrence**

As to form: N/A

That the Board of Supervisors:

1. Receive and file this report on Emergency Permit 14EMP-00000-00003, which authorized the placement of a seep can used to prevent the seepage of petroleum fluids from impacting the environment on the subject property (Assessor Parcel number 101-020-074). A copy of the Emergency Permit is included herein as Attachment A.
2. Determine that issuance of the emergency permit is exempt from the California Environmental Quality Act (CEQA) pursuant CEQA Guideline section 15269(c), as this action was necessary to prevent or mitigate an emergency.
3. Determine that receiving and filing this report is not a project pursuant to CEQA Guideline section 15378(b)(5), as it is an administrative government activity that will not result in direct or indirect physical changes in the environment.

**Background:**

PCEC currently operates 96 oil wells on the project site using steam injection to extract oil from the diatomite formation. They also operate an oil & gas processing and separation facility, hydrogen sulfide removal equipment, and steam and oil pipelines under an existing Oil Drilling and Production Plan (ODPP), County case number 05PPP-00000-00001.

A seep can is a corrugated metal pipe approximately 24 inches in diameter that is inserted into the ground to collect the seeping oil. Oil that accumulates in the seep can is either periodically pumped out with a vacuum truck, is transported by gravity via a flow line to an existing producing well, or is pumped through a flow line to an existing producing well. Installing the seep can collection system prevents the seepage from flowing on the ground surface, potentially impacting sensitive resources. Oil seeps that are not contained can develop into oil spills which can result in both immediate and long term environmental damage. A total of 94 seep cans are currently present onsite as authorized by several emergency permits and reported to the Board on October 8, 2013, February 11, 2014 and today. A map of all seep can locations is included in Attachment B. In order to promote early detection of future seeps, PCEC installed an electronic ground monitoring system and conducts frequent inspections of the area.

**Summary Text:**

Section 35.82.090 of the Land Use and Development Code authorizes the Director of the Planning and Development Department (P&D) to temporarily defer standard permit requirements of the Land Use and Development Code and issue an Emergency Permit when emergency action is warranted. Section 35.82.090.I of the Land Use and Development Code requires the Director to submit a written report describing the emergency action to the Board of Supervisors after issuing an Emergency Permit.

On March 6, 2014, Pacific Coast Energy Company (PCEC) discovered an oil seep at its Orcutt Hill property. On March 6, 2014, P&D gave verbal and email authorization to PCEC to immediately install the seep can to contain and remove the seeping oil, pursuant to Land Use and Development Code Section 35.82.090(C). On March 10, 2014, seep can #94 was installed to capture the seeping oil. A map of the seep can location is included in Attachment C. An Emergency Permit application for the seep can was filed on March 17, 2014. P&D formally issued the subject Emergency Permit to PCEC on March 28, 2014. Pursuant to Land Use and Development Code Section 35.82.090.G, an emergency permit does not constitute an entitlement and Section 35.82.090.G requires approval of the normally required permit. In this case, the seep can would be included in PCEC's Oil Drilling and Production Plan which would also act to permit expansion of oil production at PCEC's property in the Orcutt State Designated Oil Field (13PPP-00000-00001). P&D is currently processing this request.

Issuing this Emergency Permit is consistent with the Comprehensive Plan and the Land Use and Development Code, as the action provides an immediate response to abate an uncontrolled release of oil into the environment. Issuing the Emergency Permit is also consistent with Section 25-2 of the Petroleum Code, which requires protection of the health, safety, public welfare, physical environment and natural resources of the County by reasonable regulation of onshore petroleum facilities and operations. P&D granted the Emergency Permit with the issuance of a categorical exemption (CEQA Guidelines Section 15269(c)). A copy of the CEQA Exemption is included herein as Attachment D.

Pursuant to Section 35.106.070(A), notice was mailed to surrounding property owners upon P&D's receipt of the Emergency Permit application from PCEC. Additionally a notice was posted on the subject parcel.

**Fiscal and Facilities Impacts:**

The total cost to process the emergency permit was \$2,831.00 and is budgeted under the Permitting Program on page D-168 of the 2013/2015 fiscal year budget. All costs incurred from this action are borne completely by the applicant.

**Attachments:**

Attachment A: Emergency Permit 14EMP-00000-00003

Attachment B: Map – All Seep Can Locations

Attachment C: Map- Location Seep Can #94

Attachment D: CEQA Exemption

**Authored by:**

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