



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: October 8, 2013
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

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 Cans Emergency Permits
12EMP-00000-00006; 12EMP-00000-00008; 12EMP-00000-00009
12EMP-00000-00012; 13EMP-00000-00001; 13EMP-00000-00002;
13EMP-00000-00003; Fourth Supervisorial District

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: Receive and file this report on Emergency Permits 12EMP-00000-00006, 12EMP-00000-00008, 12EMP-00000-00009, 12EMP-00000-00012, 13EMP-00000-00001, 13EMP-00000-00002, and 13EMP-00000-00003, which authorized the placement of seep cans to prevent the seepage of fluids from impacting the environment (Assessor Parcel number 101-020-074). Copies of each Emergency Permit are included herein as Attachment A.

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 the permit requirements of the Land Use and Development Code and issue an Emergency Permit when emergency action is warranted by a person or public agency. 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.

A total of 85 seep cans were installed between February 2008 and April 2013 to capture oil seeps at the Pacific Coast Energy Company's (PCEC) Orcutt Oil Field.¹ Planning and Development first learned of the installations in October of 2011. P&D gave verbal authorizations to PCEC to install the seep cans to contain and remove the seeping oil, pursuant to Land Use and Development Code Section 35.82.090(D). On September 4, 2013, P&D formally issued the subject Emergency Permits to PCEC for the installation of the seep cans. Pursuant to the 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. PCEC has filed an application with P&D for a new Oil Drilling and Production Plan to permit expansion of oil production and permit the 85 seep cans (13PPP-00000-00001). The Emergency Permits authorize PCEC to install the seep cans as required by the California Department of Conservation, Division of Oil Gas and Geothermal Resources (DOGGR), to contain and remove oil, thereby minimizing impacts to sensitive biological resources. These Emergency Permits also place requirements on PCEC to pursue restoration of damaged biological resources immediately, rather than delay until the Oil Drilling and Production Plan is processed.

The granting of these Emergency Permits is consistent with DOGGR's requirement placed on PCEC to immediately control and contain any water, steam or oil flowing from a surface expression, including reactivation of historic seeps or increased flow from existing seeps. A June 9, 2012 DOGGR letter is included with each attached Emergency Permit. Issuing the Emergency Permits 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, protective of biological resources. Issuing the Emergency Permits is also consistent with Section 25-2 of the Petroleum Code, which is to protect the health, safety, public welfare, physical environment and natural resources of the County by reasonable regulation of onshore petroleum facilities and operations. The Emergency Permits include conditions to ensure that the seep can installations comply with policies regarding erosion and sediment control and vegetation removal.

Due to the sensitive nature and urgency of the emergency actions, public notice is not required to precede commencement of the emergency work as required by customary procedures for permit processing, as provided by Land Use and Development Code Section 35.106.070(4). However, pursuant to Section 35.106.070(A), notice was mailed to surrounding property owners upon P&D's receipt of formal follow-up Emergency Permit applications from PCEC. No comments from the public were received. Additionally, the public will have the opportunity to comment on the follow up revised Oil Drilling and Production Plan application.

Background:

The existing Oil Drilling and Production Plan for oil/gas development onsite was approved in 2003. Since 2008, PCEC has discovered 86 oil seeps. Although such seeps often occur naturally in this area, the California Department of Conservation Division of Oil, Gas and Geothermal Resources (DOGGR) has determined these seeps are enhanced by cyclic-steaming operations in the vicinity. DOGGR required remedial actions to reduce the occurrence of seeps and to contain the seeps that have occurred. This protocol includes installing seep cans in the vicinity of the seep. A seep can is a corrugated metal pipe approximately 15 feet in length and 24 inches in diameter that is inserted into the ground to collect the seeping oil. Oil that accumulates in the seep cans is either periodically pumped out with vacuum trucks, is transported by gravity via a flow line to an existing producing well, or is pumped through a flow line

¹ The seep to which seep can no. 80 was assigned stopped flowing after cleanup and the can was never installed. Therefore, there is a total of 85 physical seep cans in the ground, but the last one carries the number 86.

to an existing producing well. Installing the seep can collection system prevents the seepage from flowing on the ground surface, potentially harming sensitive receptors, including water bodies. Oil seeps that are not contained can develop into oil spills which can result in both immediate and long term environmental damage.

The total area disturbed by installing the seep cans was approximately 4.0 acres, with grading of approximately 4,000 cubic yards of cut and 3,700 yards of fill. Impacts from can installation ranged from none (for cans installed on existing pads or road sides) to vegetation removal, tree trimming, and tree removal (for extensive grading for cans installed in previously undisturbed areas). Impacted soil and vegetation were removed and disposed of properly. DOGGR also required PCEC to implement several measures designed to prevent or reduce the frequency of seeps in the future. Lastly, DOGGR required PCEC to install an electronic ground monitoring system and conduct frequent inspections of the area to promote early detection of the seeps.

P&D directed PCEC to submit emergency permit applications for these can installations and to submit the follow-up permit application for the Oil Drilling and Production Plan. The table below details the emergency permits for seep cans installed at the Orcutt Oil Field to date (note that the seep assigned to #80 stopped flowing after cleanup and a can was never installed). P&D granted the Emergency Permits with the issuance of categorical exemptions (CEQA Guidelines Section 15269(c)).

Permit Number	Seep Can(s)
13EMP-00002	1-78
12EMP-00006	81
12EMP-00008	82
12EMP-00009	Relocation of 33
12EMP-00012	83 & 84
13EMP-00001	79 & 85
13EMP-00003	Relocation of 30 86

Fiscal and Facilities Impacts:

The total cost to process the emergency permits was \$15,646.00, and is budgeted under the line items Development Review Permits and Energy Permits, as shown under the Source of Funds Summary on page D-138 of the 2012/2013 and 2013/2015 fiscal year budgets, respectively.

Attachments:

Attachment A: Emergency Permits

12EMP-00000-00006; 12EMP-00000-00008; 12EMP-00000-00009; 12EMP-00000-00012; 13EMP-00000-00001; 13EMP-00000-00002; 13EMP-00000-00002; and 13EMP-00000-00003

Authored by:

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Pacific Coast Energy Company Seep Can Emergency Permits

Agenda Date: October 8, 2013

Page 4 of 4

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