



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: February 11, 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 Cans Emergency Permit  
13EMP-00000-00004; Fourth Supervisorial District**

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**County Counsel Concurrence**

As to form: Yes

**Other Concurrence:** N/A

As to form: No

**Recommended Actions:**

That the Board of Supervisors:

1. Receive and file this report on Emergency Permit 13EMP-00000-00004, which authorized the placement of seven seep cans on the subject property which are used to prevent the seepage of petroleum fluids from impacting the environment (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 permits 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 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.

**Auditor-Controller Concurrence**

As to form: N/A

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 vacuum trucks, 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 harming 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 93 seep cans are currently present onsite authorized by several emergency permits in 2013 and reported to the Board on October 8, 2013. A map of all seep can locations is included in Attachment B. In order to promote early detection of future seeps, DOGGR required PCEC to install an electronic ground monitoring system and conduct 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.

A total of seven seep cans were installed between July 29, 2013 and November 26, 2013 to capture oil seeps at the Pacific Coast Energy Company (PCEC) in the State Designated Orcutt Oil Field. A map of the seven seep can locations is included in Attachment C. P&D gave verbal authorization to PCEC to immediately install the seep cans to contain and remove the seeping oil, pursuant to Land Use and Development Code Section 35.82.090(C) and direction from the California Department of Conservation, Division of Oil Gas and Geothermal Resources (DOGGR). An Emergency Permit application for seep cans 87 to 91 was filed on September 30, 2013. As staff worked to process the Emergency Permit, two additional oil seeps (seep cans 92 and 93) were reported by PCEC on the subject parcel. Rather than have the applicant file individual Emergency Permit applications for all seven seeps, staff bundled the seep can installations into one Emergency Permit. While PCEC worked to remedy the seeps and install the seep cans, staff worked with the applicant to ensure an accurate and stable project description. P&D formally issued the subject Emergency Permit to PCEC on December 17, 2013. 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 cans will 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. The Emergency Permit placed requirements on PCEC to pursue restoration of damaged biological resources immediately, rather than delay restoration until the Oil Drilling and Production Plan is processed. The granting of this Emergency Permit is consistent with DOGGR's requirement to immediately control and contain any water, steam or oil flowing from the site, including reactivation of historic seeps or increased flow from existing seeps. A June 9, 2012 DOGGR letter is included with the attached Emergency Permit.

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 Emergency Permit 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. Mailed and posted noticing was completed for all subject seep cans. P&D received one comment from the public requesting additional information regarding PCEC's notification to the County of the oil seeps and clarification as to where contaminated soil is disposed. This information was provided. The public will have additional opportunities to comment on the follow-up revised Oil Drilling and Production Plan application.

**Fiscal and Facilities Impacts:**

The total cost to process the emergency permit was \$2,084.00, 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 by the applicant.

**Attachments:**

Attachment A: Emergency Permit 13EMP-00000-00004

Attachment B: Map – All Seep Can Locations

Attachment C: Map-Seven Seep Can Locations

Attachment D: Notice of Exemption

**Authored by:**

Susan Curtis, Senior Planner

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