

MINUTE ITEM

This Calendar Item No. 19
was approved as Minute Item
No. 19 by the State Lands
Commission by a vote of 3
to 0 at its 9-24-80
meeting.

CALENDAR ITEM

19.

9/80
W 40147
Hamilton

RESUMPTION OF DRILLING OPERATIONS
FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASE
PRC 145.1, VENTURA COUNTY

LEASE: PRC 145.1.

LESSEE: Energy Development of California, Inc.
400 So. Beverly Dr. - Suite 315
Beverly Hills, California 90212

AREA, LAND TYPE, AND LOCATION:

Approximately 326 acres of offshore tide
and submerged lands overlying the Rincon
Oil Field, Ventura County (see Exhibit
"A" - Location Map).

PROPOSED PROJECT:

The proposed program is a continuation
of development drilling from shore by the
lessee to effectively deplete all zones
known to be productive in the Rincon Oil
Field area, evaluate undrilled area on
the lease, and produce as much of the re-
maining recoverable oil from the property
as economically possible.

The drilling program is designed primarily
to evaluate/develop zones known to be pro-
ductive in the Field and, in some instances
the zones are located behind casing in
existing wells. The construction or installation
of additional production or transportation
facilities such as crude oil storage tanks,
power equipment, or pipelines will not
be required. Any new production can be
accommodated by existing facilities which
are designed for much greater volumes than
those presently being produced.

A 36

S 18

CALENDAR ITEM NO. 19. (CONT'D)

Currently, State Lease PRC 145.1 has twelve wells, of which ten (seven producing and three idle) may be redrilled. The other two wells (one producing and one waste disposal) will remain undisturbed (see Exhibit "B" - Lease Facilities Location Map). The proposed drilling program will utilize existing cement cellar installations as well locations which are of sufficient capacity to hold any accidental spillage of crude oil. When for mechanical and/or economic reasons it is not possible to redrill an existing well, it will be necessary to drill a new and/or replacement well from the existing well cellar installations.

Based upon present geological interpretations and studies performed by the staff of the State Lands Commission, it appears that State Lease PRC 145.1 can be effectively developed by utilizing approximately seventeen producing wells. This would effectuate a well density of approximately 20 acres/well and would be in conformance with the lease terms. All proposed drilling will be performed utilizing one drilling rig. One or two wells would be drilled over a period of 1 to 2 months and their production evaluated before another well is drilled. The evaluation of each well's productive capability would require several months. The entire drilling program is expected to take several years.

OTHER PERTINENT INFORMATION:

1. A Negative Declaration was prepared by the Commission's staff pursuant to CEQA and implementing regulations.
2. This project is situated on land identified as possessing environmental values in that the State Lands Commission stated all waterways under the Commission's jurisdiction have environmental significance. Staff finds this project to be compatible with Commission policy.

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CALENDAR ITEM NO. 19. (CONTD)

EXHIBITS: A. Location Map.
 B. Lease Facilities Location Map.
 C. Negative Declaration.

IT IS RECOMMENDED THAT THE COMMISSION:

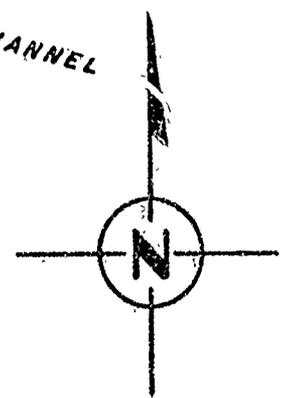
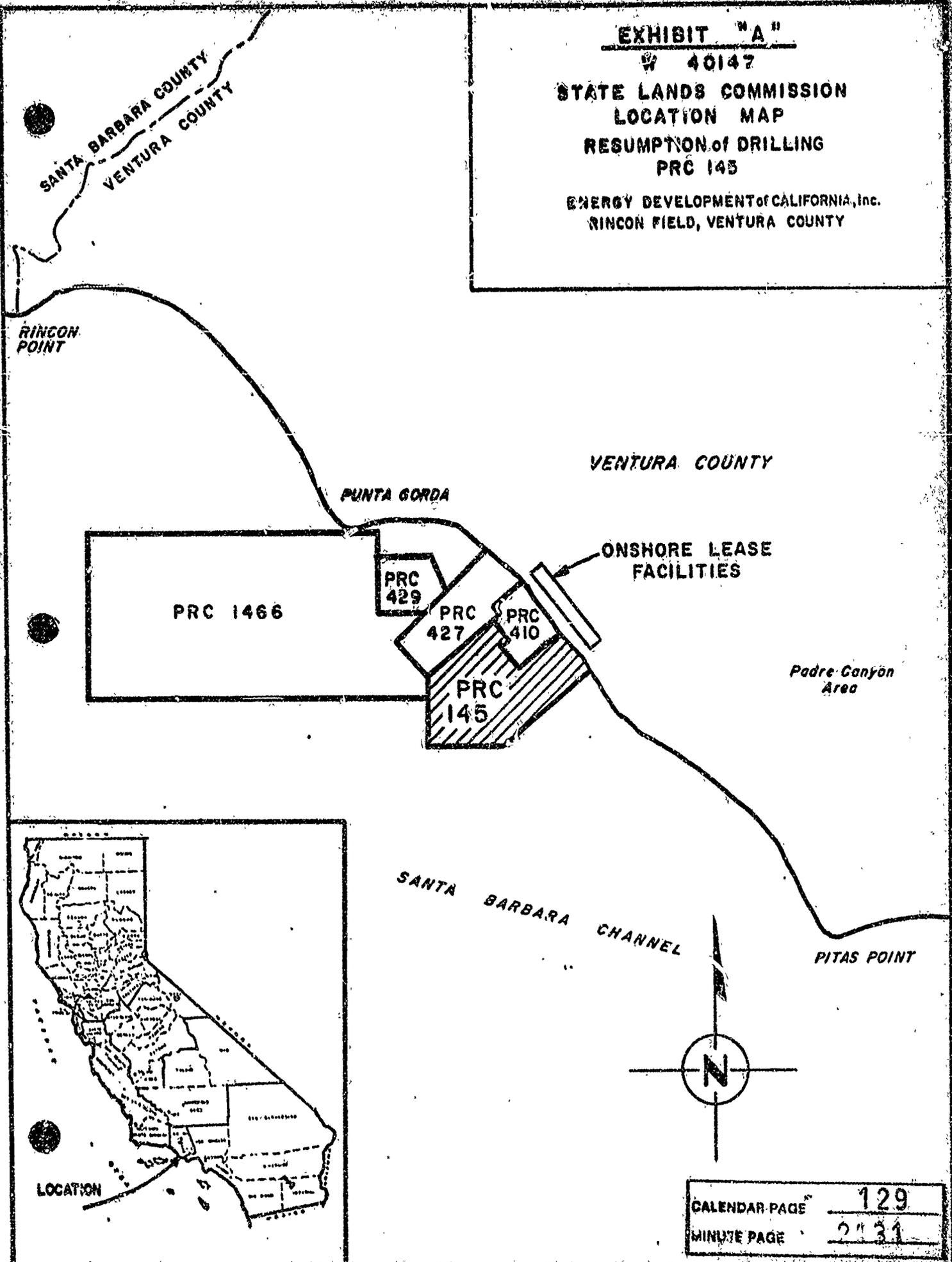
1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE COMMISSION'S STAFF.
2. CERTIFY THAT THE NEGATIVE DECLARATION NO. 276 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CEQA OF 1970, AS AMENDED, AND THE STATE EIR GUIDELINES, AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. DETERMINE THAT THE PROJECT IS CONSISTENT WITH THE PROVISIONS OF ARTICLE 6.5 OF TITLE 2 OF THE CAL. ADM. CODE.
5. FIND THAT THIS PROJECT IS SITUATED ON LAND IDENTIFIED AS POSSESSING ENVIRONMENTAL VALUES IN THAT THE STATE LANDS COMMISSION FOUND ALL WATERWAYS UNDER THE COMMISSION'S JURISDICTION HAVE ENVIRONMENTAL SIGNIFICANCE, BUT THAT THIS PROJECT IS COMPATIBLE WITH THAT FINDING AS IT APPLIES TO THE SUBJECT LAND.
6. AUTHORIZE THE RESUMPTION OF DRILLING OPERATIONS FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASE PRC 145.1, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LEASE, AND RULES AND REGULATIONS OF THE STATE LANDS COMMISSION.

EXHIBIT "A"

W 40147

**STATE LANDS COMMISSION
LOCATION MAP
RESUMPTION OF DRILLING
PRC 145**

ENERGY DEVELOPMENT OF CALIFORNIA, Inc.
RINCON FIELD, VENTURA COUNTY



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SOUTHERN PACIFIC RAILROAD

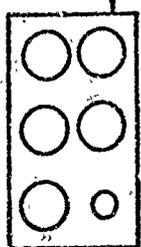
OLD U. S. HIGHWAY 101

Ventura County Fire Station (300)

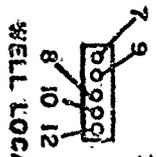
~ 900'



WELL LOCATIONS



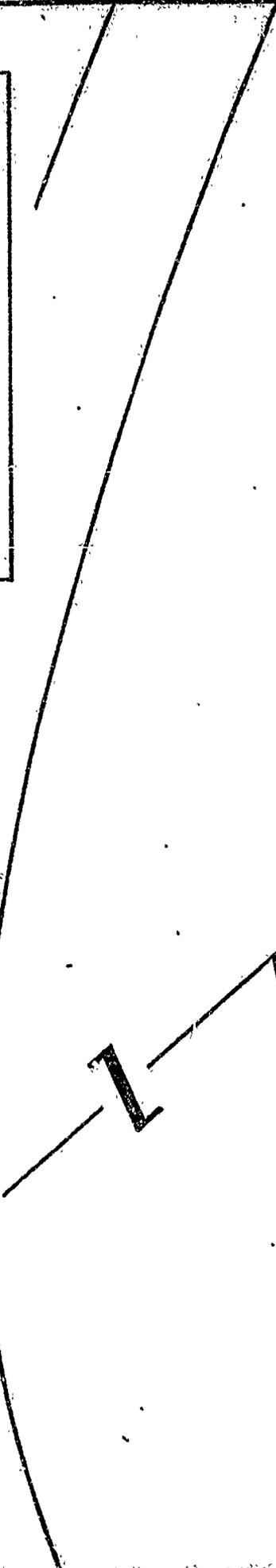
TANK FARM



WELL LOCATIONS



WELL LOCATIONS



U. S. FREEWAY 101

EXHIBIT "B"
W 40147
STATE LANDS COMMISSION
LEASE FACILITIES LOCATION MAP
PREC 145
ENERGY DEVELOPMENT OF CALIFORNIA, Inc.
RINCON FIELD, VENTURA COUNTY

CADEN MAP PAGE
MINUTE PAGE

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2132

EXHIBIT "C"

STATE LANDS COMMISSION
INITIAL STUDY CHECKLIST

File Ref.: W 40147

BACKGROUND INFORMATION

A. Applicant: Energy Development of California, Inc.
400 So. Beverly Dr. - Suite 315
Beverly Hills, CA 90212

B. Checklist Date: 6 / 17 / 80

C. Contact Person: Michael Hamilton
Telephone: (213) 570-5214 (ATSS: 635-5214)

D. Purpose: See attached "Purpose".

E. Location: See attached "Location".

F. Description: See attached "Description of Project".

G. Persons Contacted: See attached "List of Agencies Contacted".

II. ENVIRONMENTAL IMPACTS. (Explain all "yes" and "maybe" answers)

Yes Maybe No

A. Earth. Will the proposal result in:

- 1. Unstable earth conditions or in changes in geologic substructures?
- 2. Disruptions, displacements, compaction, or overcovering of the soil?
- 3. Change in topography or ground surface relief features?
- 4. The destruction, covering, or modification of any unique geologic or physical features? ..
- 5. Any increase in wind or water erosion of soils, either on or off the site?
- 6. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet, or lake?
- 7. Exposure of all people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, or similar hazards?

<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- | | Yes | Maybe | No |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| B. Air. Will the proposal result in: | | | |
| 8. Substantial air emission, or deterioration of ambient air quality? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. The creation of objectionable odors? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| C. Water. Will the proposal result in: | | | |
| 11. Changes in the currents, or the course or direction of water movements, in either marine or fresh waters? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 12. Changes in absorption rates, drainage patterns, or the rate and amount of surface water runoff? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 13. Alterations to the course or flow of flood waters? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 14. Change in the amount of surface water in any water body? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 15. Discharge into surface waters, or in any alteration of surface water quality, including but not limited to temperature, dissolved oxygen or turbidity? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 16. Alteration of the direction or rate of flow of ground waters? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 17. Change in the quantity of ground waters, either through direct additions or withdrawals, or through interception of an aquifer by cuts or excavations? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 18. Substantial reduction in the amount of water otherwise available for public water supplies? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 19. Exposure of people or property to water-related hazards such as flooding or tidal waves? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| D. Plant Life. Will the proposal result in: | | | |
| 20. Change in the diversity of species, or number of any species of plants (including trees, shrubs, grass, crops, and aquatic plants)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 21. Reduction of the numbers of any unique, rare or endangered species of plants? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 22. Introduction of new species of plants into an area, or in a barrier to the normal replenishment of existing species? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 23. Reduction in acreage of any agricultural crop? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| E. Animal Life. Will the proposal result in: | | | |
| 24. Change in the diversity of species, or numbers of any species of animals (birds, land animals including reptiles, fish and shellfish, benthic organisms, or insects)? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 25. Reduction of the numbers of any unique, rare or endangered species of animals? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 26. Introduction of new species of animals into an area, or result in a barrier to the migration or movement of animals? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 27. Deterioration to existing fish or wildlife habitat? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| F. Noise. Will the proposal result in: | | | |
| 28. Increase in existing noise levels? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 29. Exposure of people to severe noise levels? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| G. Light and Glare. Will the proposal result in: | | | |
| 30. The production of new light or glare? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| H. Land Use. Will the proposal result in: | | | |
| 31. A substantial alteration of the present or planned land use of an area? | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| I. Natural Resources. Will the proposal result in: | | | |
| 32. Increase in the rate of use of any natural resources? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 33. Substantial depletion of any nonrenewable resources? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

J. Risk of Upset. Will the proposal result in:

34. The involvement of a risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals, or radiation) in the event of an accident or upset conditions?

Yes	Maybe	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

K. Population. Will the proposal result in:

35. The alteration, distribution, density, or growth rate of the human population of the area?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

L. Housing. Will the proposal result in:

36. Affecting existing housing, or create a demand for additional housing?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

M. Transportation/Circulation. Will the proposal result in:

37. Generation of substantial additional vehicular movement?

Yes	Maybe	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

38. Affecting existing parking facilities, or create a demand for new parking?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

39. Substantial impact upon existing transportation systems?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

40. Alterations to present patterns of circulation or movement of people and/or goods?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

41. Alterations to waterborne, rail, or air traffic?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

42. Increase in traffic hazards to motor vehicles, bicyclists, or pedestrians?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

N. Public Services. Will the proposal have an effect upon, or result in a need for new or altered governmental services in any of the following areas:

43. Fire protection?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

44. Police protection?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

45. Schools?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

46. Parks and other recreational facilities?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

47. Maintenance of public facilities, including roads?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

48. Other governmental services?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

O. Energy. Will the proposal result in:

49. Use of substantial amounts of fuel or energy?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

50. Substantial increase in demand upon existing sources of energy, or require the development of new sources?

Yes	Maybe	No
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

P. Utilities. Will the proposal result in a need for new systems, or substantial alterations to the following utilities:

51. Power or natural gas?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

52. Communication systems?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

53. Water?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

54. Sewer or septic tanks?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

55. Storm water drainage?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

56. Solid waste and disposal?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Q. Human Health. Will the proposal result in:

57. Creation of any health hazard or potential health hazard (excluding mental health)?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

58. Exposure of people to potential health hazards?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

R. Aesthetics. Will the proposal result in:

59. The obstruction of any scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

S. Recreation. Will the proposal result in:

60. An impact upon the quality or quantity of existing recreational opportunities?

Yes	Maybe	No
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

T. *Archaeological/Historical.* Will the proposal result in:

Yes Maybe No

61. An alteration of a significant archeological or historical site, structure, object, or building? .

U. *Mandatory Findings of Significance.*

62. Does the project have the potential to degrade the quality of the environment, reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

63. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals?

64. Does the project have impacts which are individually limited, but cumulatively considerable?

65. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

III. DISCUSSION OF ENVIRONMENTAL EVALUATION

See attached "Discussion of Environmental Evaluation".

IV. DETERMINATION

On the basis of this initial evaluation:

I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet have been added to the project. A NEGATIVE DECLARATION will be prepared.

I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

Michael Hamilton
 Energy and Mineral Resources Engineer

Date: 6 / 17 / 80

For the State Lands Commission
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D. PURPOSE:

The purpose of the project is to further develop oil and gas zones known to be productive in the Rincon Field area, evaluate undrilled areas on the lease, and maximize production.

E. LOCATION:

State Oil and Gas Lease PRC 145 is located on coastal tidelands near Seacliff, Ventura County, approximately ten miles northwest of the City of Ventura (see Exhibit "A" - Location Map).

F. DESCRIPTION OF PROJECT:

The proposed program is a continuation of development drilling from shore by the lessee, Energy Development of California, Inc., on State Oil and Gas Lease PRC 145, to effectively deplete all zones known to be productive in the Rincon Field. The lease, originally issued July 3, 1944, contains approximately 326 acres and has produced; as of March 1980, 2,982,349 barrels of oil. Maximum production was reached in 1957 at over 21,000 barrels per month from nine producing wells. Presently, oil production is about 750 barrels per month from seven producing wells. The intent of this project is to produce as much of the remaining recoverable oil from the property as economically possible.

On February 1, 1969, in response to an oil and gas well blow-out on a Federal OCS lease in the Santa Barbara Channel, the State Lands Commission declared a moratorium on further drilling on State offshore oil and gas leases, and announced that no new wells would be approved pending a complete review of all offshore drilling regulations, techniques, and procedures.

In December 1973, the Commission authorized (1) the adoption of procedures for drilling and production operations from existing platforms, piers, and islands on existing offshore leases, and (2) the resumption of drilling operations on a lease-by-lease basis, such resumption to be predicated upon a review by the State Lands Commission for compliance with the procedures, compliance with requirements of the California Environmental Quality Act, and upon final approval by the State Lands Commission.

Subsequent to its 1973 action, the Commission has authorized resumption of drilling operations on several leases in the Santa Barbara Channel, including two leases in the Rincon Field area adjoining State Lease PRC 145. These two adjoining leases are Mobil Oil Company's State Oil and Gas Lease PRC 427, with all wells located on Ferguson Pier (authorized November 1974), and Cabot Oil and Gas Corporation's State Oil and Gas Lease PRC 410, with all wells drilled from shore (authorized March 1977). Energy Development of California, Inc., had one redrill well approved October 1978.

The present environment in the area of the lease is where the Pacific Ocean and steep slopes of the coastal mountains meet to form a narrow beach and lowlands of about 300 to 1000 feet in width. In the vicinity of State Lease PRC 145 lie numerous oil production facilities and offices of various oil companies. To the north of State Lease PRC 145 is Cabot Oil and Gas Corporation's State Lease PRC 410 and north of that is Mobil Oil Company's State Lease PRC 427 (see Exhibit "A") with two piers - one which extends only onto Mobil's lease and the other which

extends further offshore, about 2000 feet and onto Cabot Oil and Gas Corporation's State Lease PRC 429.

On the upland adjacent to State Lease PRC 145 and now located landward (east) of U.S. Freeway 101 (U.S. Highway 101 was relocated in 1972), Energy Development Corporation has its production facilities consisting of twelve well-heads, an oil/water separation system, pipeline pumping equipment, and storage tanks with a capacity of about 1,800 barrels (see Exhibit "B"). These facilities comply with all local and State rules and regulations. All wells are directionally drilled from onshore locations and are bottomed beneath offshore State lands. Also located east of U.S. Freeway 101, and adjoining Energy Development's facilities, are facilities of Cabot Oil and Gas Corporation, Santa Fe Energy Company's Chanslor and Coline Gas Divisions, and Mobil Oil Company.

Except for a few beach houses at Seacliff about 2,200 feet to the south and a few other scattered beach houses approximately 7,000 feet north of the lease, the nearest residents live in the community of Carpinteria, about nine miles to the north. The houses are separated from the proposed project by the elevated U.S. Freeway 101. Few beach seekers are found in the vicinity; however, some surfing is done near the pier on the adjacent State Lease PRC 427. A somewhat popular area for surf-riding is just south of Pitas Point about four to five miles south of State Lease 145. Most surf-fishing activity in the area is found in and around the Pitas Point vicinity.

The drilling program proposed for State Lease PRC 145 is designed primarily to evaluate/develop zones known to be productive

in the Rincon Field and, in some instances, located behind casing in existing wells. The construction or installation of additional production or transportation facilities such as crude oil storage tanks, power equipment, or pipelines will not be required. Any new production can be accommodated by existing facilities which are designed for much greater volumes than those presently being produced.

Currently, State Lease PRC 145 has twelve wells, of which ten (seven producing and three idle) may be redrilled. The other two wells (one producing and one waste disposal) will remain undisturbed (see Exhibit "B" - Lease Facilities Location Map). The proposed drilling program will utilize existing cement cellar installations as well locations and are of sufficient capacity to hold any accidental spillage of crude oil. When for mechanical and/or economic reasons it is not possible to redrill an existing well, it will be necessary to drill a new and/or replacement well from the existing well locations (see Exhibit "B").

Based upon present geologic interpretations and studies performed by the staff of the State Lands Commission, it appears that State Lease PRC 145 can be effectively developed by utilizing approximately seventeen producing wells. This would effectuate a well density of approximately 20 acres/well. All proposed drilling will be performed utilizing one drilling rig. One or two wells would be drilled over a period of 1 to 2 months and their production evaluated before another well is drilled. The evaluation of each well's productive capability could require several months. The entire drilling program is expected to take several years.

Connected with the proposed operations, the applicant has submitted: a "Critical Operations and Curtailment Plan"; an oil "Spill Prevention Control and Counter-Measure Plan"; the "Production Procedures"; and the "Proposed Development Plan", all conforming with State Lands Commission's rules and regulations regarding offshore oil and gas drilling and production operations.

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III. DISCUSSION OF ENVIRONMENTAL EVALUATION:

No. 8

A moderate amount of air pollutant emissions will result from the diesel engines that supply power for drilling operations. Exhibit "C" (attached) outlines emission factors for diesel powered industrial engines. However, due to the limited duration of the drilling (a portable drilling rig will be used around the clock for three to six weeks depending on the depth of the well), the short-term air quality impacts should be insignificant (approximately equivalent to several diesel powered trucks passing through the area on U.S. Freeway 101).

All long-term operations and air quality impacts will be subject to Ventura County APCD Rules and Regulations. All required permits will be obtained prior to any drilling operation. All storage tanks and production wells are equipped with vapor recovery equipment and are in full compliance with Ventura County APCD requirements for the control of air pollution.

No. 9

Odors associated with emissions produced from the use of diesel engines that supply power for drilling operations will be created (see Exhibit "C"). However, no venting to the atmosphere or flaring of wellhead gas will occur.

All drilling operations will be conducted in such a manner as to eliminate, as far as practicable, dust, noise, vibration or noxious odors, and will be performed in a manner representative of good oil industry practices so as to minimize air pollution emissions.

No. 17

All proposed work connected with the project will be conducted in accordance with all rules and regulations for the prevention of degradation of water quality. It is expected that no fluids or materials of any sort would reach the surf zone or be lost to the ground in the area.

Drilling fluids and other wastes would be contained in steel tanks designed for that purpose during drilling operations. These fluids and other wastes will be hauled off to certified disposal facilities.

Formation water recovered from normal oil producing operations is currently being accumulated and separated at the central storage tank facilities. The accumulated formation water is then reinjected via the one waste disposal well presently in use (well number 3A). No change is planned in this method of disposal.

No. 28 & 29

Existing noise levels in the immediate area of the drillsite will increase due to the increased activity caused by the drilling equipment. Mufflers have been installed on the drilling rig diesel engines to help control noise so as not to interfere with surrounding land use.

No. 30

Work lights emanating from the drilling rig will be visible from the elevated U.S. Freeway 101 at night due to the around-the-clock outdoor lighting requirements of the drilling activity. However, all lighting fixtures will be confined to the drillsite and portable drilling rig, and will use electricity from diesel powered generator(s).

No. 32 & 33

An effective and efficient removal of petroleum, a nonrenewable resource, from State Lease PRC 145 will occur if the proposed drilling program proves successful. This would result in increased development of domestic energy supplies and a lessening dependence on foreign supplies, in keeping with the national energy policy.

No. 34

Because each proposed drilling activity will be conducted entirely within the subject area (onshore facilities) which has never been used for any other purpose in the past fifty years, no lasting or adverse impact on the environment from the implementation of this project should occur. All existing operations within the subject area are sufficiently guarded to contain and recover spillage before any environmental damage could occur.

No. 37

Outside activity levels except within the immediate locality of the drillsites should not be affected by the proposed operations. The movement of equipment, men and materials necessary to carry out the proposed operations during the next several years can be accomplished without any significant interference with normal tourist or residential traffic by using existing roads.

No. 50

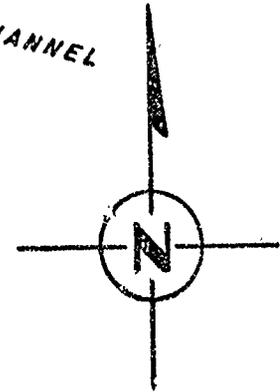
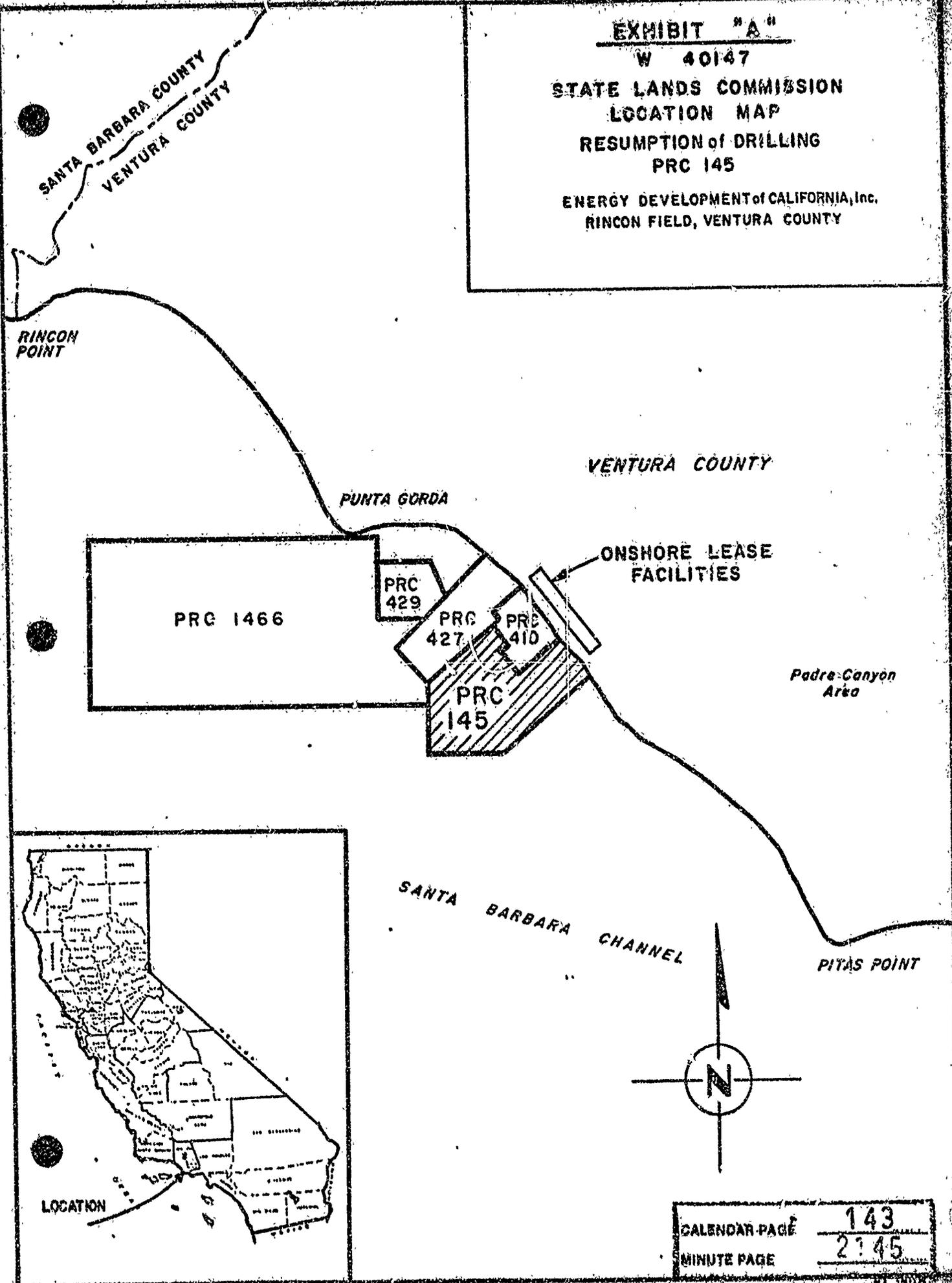
The purpose of the project is to fully develop existing sources of energy, i.e., maximize production from known and currently productive hydrocarbon reserves.

EXHIBIT "A"

W 40147

**STATE LANDS COMMISSION
LOCATION MAP
RESUMPTION of DRILLING
PRC 145**

**ENERGY DEVELOPMENT of CALIFORNIA, Inc.
RINCON FIELD, VENTURA COUNTY**



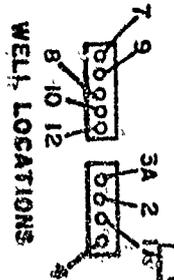
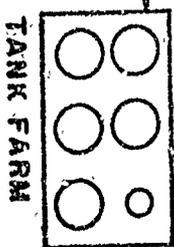
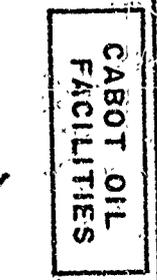
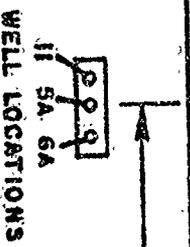
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SOUTHERN PACIFIC RAILROAD

OLD U. S. HIGHWAY 101

Ventura County
Fire Station (300')

CALIFORNIA PAGE 144
12746



~ 900'

EXHIBIT "B"
W 40147
STATE LANDS COMMISSION
LEASE FACILITIES LOCATION MAP
PRC145

ENERGY DEVELOPMENT OF CALIFORNIA, Inc.
RINCON FIELD, VENTURA COUNTY

U. S. FREEWAY 101

EXHIBIT "C"

DIESEL POWERED INDUSTRIAL ENGINE
EMISSION FACTORS AND RATE PER ENGINE

750 H.P.¹

	<u>g/hp. Hr.</u> ²	<u>At 75%³</u> <u>Load Factor</u>	<u>g/Sec.</u>	<u>Tons/Mo.</u>
Carbon Monoxide (CO)	3.030	2.27	0.47	1.37
Exhaust Hydrocarbons (HC)	1.120	0.84	0.17	.51
Evaporative Hydrocarbons	None	----	----	----
Crankcase Hydrocarbons	None	----	----	----
Nitrogen Oxides (NO _x)	14.000	10.50	2.18	6.32
Aldehydes	0.210	0.16	0.03	.12
Sulfur Oxides (SO _x)	0.931	0.70	0.15	.42
Particulate (Part)	1.000	0.75	0.16	.45

1. Total H.P. - Two engines of approximately 350 hp. and 400 hp. will be used.
2. Data obtained from EPA, AP-42 Supplement 5; December, 1975, p. 3.3.3-1.
3. Hoisting operations will require 675 hp. for approximately 6 hours/day and drilling operations will require 525 hp. 18 hours/day.

$$\text{Load Factor 1} = 675/750 = 90\%$$

$$\text{Load Factor 2} = 525/750 = 70\%$$

$$\text{Average Load Factor} = \frac{(0.90) (6) + (0.70) (18)}{24} = 75\%$$

June 17, 1980

LIST OF AGENCIES CONTACTED

Memos

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Projects Coordinator
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Solid Waste Management Board
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Department of Parks & Recreation
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