



H.B. Case No.:	<u>2016-16-I / 2016-17-R</u>
Petitioner:	<u>FMOG</u>
Permit No.:	<u>9106</u>
Date Rec'd:	<u>04/06/16</u>
Time Rec'd:	<u>14:00</u>
Filing Fee Paid:	<u><del>\$574.00</del> / <del>\$574.00</del> \$1,148</u>

## PETITION FOR VARIANCE

<b>Type of Variance Requested:</b>			
Emergency	<u>          </u>	Interim <sup>1</sup>	<u>  X  </u>
90-Day	<u>          </u>	Regular	<u>  X  </u>
Length of Variance Requested:	Start Date	<u>4/11/16</u>	
	End Date	<u>4/10/17</u>	
<sup>1</sup> A 90-Day or Regular Variance must be filed concurrently with an Interim Variance			

### 1. PETITIONER INFORMATION

A. Please provide the name, address and phone number of the Petitioner.

Name: Freeport-McMoRan Oil & Gas  
 Address: 201 South Broadway  
Orcutt, CA 93455  
 Phone Number: (805) 934-8200

B. Please provide the name, address and phone number of the person authorized to receive correspondence regarding this Petition if different from response in 1.A.

Name: Glenn A. Oliver  
 Address: Freeport-McMoRan Oil & Gas  
201 South Broadway  
Orcutt, CA 93455  
 Phone Number: (805) 934-8216

C. The Petitioner is (please check one):

- 1) An Individual ( )
- 2) Partnership ( )
- 3) Corporation (X)
- 4) Public Agency ( )
- 5) Other Entity (please describe)

2. Location of equipment for which the variance is requested if different from response in 1.A.

OCS Platform Irene (Pt. Pedernales Project)

3. List any District permits that are applicable to the equipment subject to this variance request.

PTO 9106

4. Briefly describe the equipment that is the subject of this Petition.

The H2S analyzer used during planned flares has a major malfunction. Sampling and data recording is required by the permit conditions and the associated compliance plan (Irene Flare Sulfur Monitoring Plan).

#### 5. FINDINGS REQUIRED FOR THE GRANTING OF A VARIANCE

In order for the Hearing Board to grant a variance to a Petitioner authorizing the operation of a source in violation of any rule, regulation or order of the District, the Hearing Board is required to make "findings" in accordance with the requirements specified in California Health and Safety Code §42352, et. seq. and District rules and regulations. The Hearing Board's variance decision will take into consideration information you provide in this Petition. Please ensure your responses are complete and thorough. Please use additional pages as necessary.

A. Please state 1) what District rule, regulation or order you either are or will be in violation of, and 2) the date said violation will or did occur. Include as appropriate the applicable permit conditions for which variance relief is being sought.

APCD Rule 206, PTO 9106 Condition 9C.2(c)(iv), and the associated compliance monitoring plan and rule 328.

B. Please describe how compliance with the District rule, regulation or order listed in Section A above is beyond your reasonable control. In addition to any other relevant factors, please include in your discussion 1) what actions you have taken to comply or seek a variance, which were timely and reasonable under the circumstances.

The H2S analyzer on Platform Irene has not been calibrating. Neither daily automatic calibrations or manual calibrations are functioning.

A service technician found that multiple components had failed in part due to the type of service the analyzer is in.

An application was submitted to the APCD to modify the planned flare monitoring procedure to use colorimetric tubes for H2S measurement. The current sampling process

with the analyzer has inherent problems that will prevent reliable monitoring with the analyzer. Repair of the analyzer will be a short-term solution at best.

A total of 113 mscf of planned flaring has occurred since the beginning of 2016, with 32 mscf of it associated with a recent planned shutdown of the platform for pipeline work.

- C. Please describe how you would be impacted if you were required to immediately comply with the District rule, regulation or order the subject of this variance request. In addition to any other relevant factors, please discuss why such impacts would result in 1) an arbitrary or unreasonable taking of property, or 2) the practical closing and elimination of a lawful business.

Without repairing the analyzer or modifying how compliance is monitored, FM O&G would be in violation of the permit condition for monitoring the flare gas H2S content during planned flaring. There are required safety checks and maintenance activities that require use of the flare. Platform operators can monitor flare events with colorimetric tubes to determine flare emissions. A shutdown would cause planned flaring and the loss of more than 5000 bbls per day production.

- D. If you were required to immediately comply with the District rule, regulation or order the subject of this variance request, please describe what impact, if any, that would have on air contaminants.

Complying with the permit condition is not possible until the analyzer is repaired or the permit is modified for using an alternative monitoring procedure. No excess emissions will be created by the loss of the data. Planned flare events are not common on the platform.

- E. Please describe what consideration you have given to curtailing of operations in lieu of obtaining a variance.

Curtailing operations will not replace the missing monitoring data. Flaring from a platform shutdown would not be monitored by the broken analyzer.

- F. Please describe what steps and measures you will take to reduce excess pollutant emissions the maximum extent feasible during the requested variance period.

No excess emissions are anticipated during the variance period.

- G. If requested to do so by the District, please describe how you will monitor or otherwise quantify and report to the District any pollutant emissions associated with the granting of your variance.

Colorimetric tubes can provided a reasonable quantification of the flare gas H2S content and the flare emissions.

**6. SUPPLEMENTAL FINDINGS IF APPLYING FOR AN EMERGENCY VARIANCE PURSUANT TO RULE 506 (EMERGENCY VARIANCE FOR BREAKDOWNS)**

- A. Please provide the date and time the breakdown was reported to the District

Date: \_\_\_\_\_ Time: \_\_\_\_\_

- B. Breakdown number (as provided by the District): \_\_\_\_\_

- C. Please provide a description of the "breakdown condition", including equipment involved and the cause to the extent it is known.

D. Please describe why the continued operation of your facility in a "breakdown condition" is not likely to cause an immediate threat or hazard to public health or safety and will not interfere with the attainment or maintenance of any primary national ambient air quality standard.

7. Will the operation of the equipment subject to this variance result in violation of District Rule 303, Nuisance?

No nuisance will result from operation under a variance

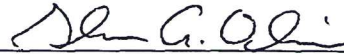
8. Please state whether or not any civil or criminal case involving the equipment subject to this variance is pending any court.

No cases are pending

The undersigned is authorized to submit the above Petition on behalf of the Petitioner and further states under penalty of perjury under the laws of the State of California, that the above Petition, including any attachments and the items therein set forth, are true and correct.

DATE: 4/5/16

SIGNATURE:



TITLE:

Sr. EH&S Advisor

PRINT NAME:

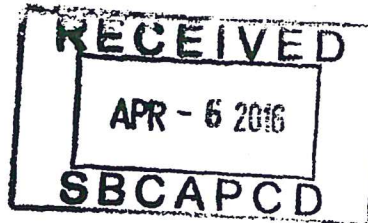
Glenn A. Oliver

**Variance Filing Fees:** All variance Petitions must be accompanied by the requisite filing fee at the time of filing or include a letter from the Petitioner on company letterhead authorizing the District to debit the filing fee from the company's reimbursable account. You may also pay your filing fees by credit card using the attached form. Current variance filing fees may be found under Rule 210, schedule F, Sections 12a and 12b at <http://www.sbcapcd.org/fees.htm>.



Freeport-McMoRan Oil & Gas  
201 S Broadway  
Orcutt, CA 93455

Telephone: 805-739-9111



April 5, 2016

Ms. Sara Hunt  
Clerk of the Hearing Board  
Santa Barbara County Air Pollution Control District  
260 San Antonio Road, Suite A  
Santa Barbara, CA 93110

Subject: Variance Petition for Platform Irene

Dear Ms. Hunt:

Freeport-McMoRan Oil & Gas is submitting this petition for continued operation of Platform Irene under an Interim and Regular Variance. A completed petition is attached.

Please charge the Freeport-McMoRan Oil & Gas/Pt. Pedernales Project reimbursable fund for the filing fees. If you have any questions, please contact me at (805) 934-8216.

Cordially,

A handwritten signature in cursive script, appearing to read "Glenn A. Oliver".

Glenn A. Oliver  
Sr. EH&S Advisor

Attachment