



Agenda Item: D-11
Agenda Date: August 20, 2020
Agenda Placement: Admin
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Aeron Arlin Genet, Air Pollution Control Officer 

CONTACT: Molly Pearson, Planning Division Manager, (805) 961-8838

SUBJECT: Agreement with ExxonMobil to Operate Carpinteria Air Monitoring Station

RECOMMENDATION:

Delegate authority to the Air Pollution Control Officer to sign an Operating Agreement between ExxonMobil and the Santa Barbara County Air Pollution Control District (District) to enable the District to operate the Carpinteria ambient air monitoring station on behalf of ExxonMobil, and any future amendments to the Operating Agreement that are necessary to reflect a new lease between ExxonMobil and the landowner, subject to review and approval by Auditor-Controller, District Counsel, and Risk Management.

BACKGROUND:

The Carpinteria regional ambient air quality monitoring station, located at 7248 Gobernador Canyon Road, provides important air quality information for the agency and for the public. The station records some of the highest ozone values in the County. In July 2020, the responsibility to operate the Carpinteria monitoring station changed from Freeport-McMoRan to ExxonMobil. The station is currently being operated by a private contractor, but ExxonMobil has requested that the District assume responsibility to operate the station.

DISCUSSION:

ExxonMobil is now required by District Permit to Operate 5651 to operate the Carpinteria monitoring station and has requested that the District operate the station on their behalf. The attached draft Operating Agreement sets the parameters for the agreement, identifies the inventory of equipment, and provides the District access to the monitoring station and equipment.

The District has qualified staff that operate air monitoring stations throughout the County, and the District has operated several air monitoring stations for ExxonMobil including the station that is currently operated in Las Flores Canyon. Under the proposed arrangement, monitoring fees will be assessed to cover the operating costs, as outlined in District Rule 210 and Permit to Operate 5651. The District will periodically evaluate these monitoring fees, assess whether they cover the cost to operate the station, and modify them if necessary.

The attached draft Operating Agreement was developed based on prior agreements with ExxonMobil on other monitoring sites and provides District staff and associates access to the station to maintain the instruments and audit the equipment as needed. The agreement also allows for the installation of additional monitoring equipment for District purposes. The station will be operated according to the District's quality assurance guidelines and procedures. In the event that either party terminates the proposed Agreement, ExxonMobil will become responsible for operating the station.

The draft Operating Agreement has been reviewed extensively by both parties and we believe it is very close to its final form; however, the lease assignment included as Attachment B is still in draft form and is expected to be finalized and executed by Freeport-McMoRan and ExxonMobil shortly. The District will distribute updated attachments to the draft Operating Agreement to the Board and public if they are received prior to the Board meeting.

We recommend that your Board delegate authority to the Air Pollution Control Officer to sign the proposed Operating Agreement, once the necessary reviews of the final documents have been completed by Auditor-Controller, District Counsel, and Risk Management. This delegation will allow the Operating Agreement to be entered into shortly after the Board Hearing if the attachments are not finalized prior to the Board Hearing. The District has qualified staff, equipment and procedures so that the station can be operated efficiently and allow for high quality data collection and reporting at this important regional air monitoring location.

FISCAL IMPACT:

The District will assess an annual fee \$100,000, invoiced every 6 months, to operate the station; this monitoring fee will be reflected in District Permit to Operate 5651. The District's current staffing level will be able to provide this function, and no additional staff will be required to operate the air monitoring station.

ATTACHMENT:

1. Draft Carpinteria Air Quality Monitoring Station Operating Agreement

ATTACHMENT 1

Draft Carpinteria Air Quality Monitoring Station
Operating Agreement

August 20, 2020

Santa Barbara County Air Pollution Control District
Board of Directors

260 San Antonio Road, Suite A
Santa Barbara, California 93110

CARPINTERIA AIR QUALITY MONITORING STATION

OPERATING AGREEMENT

Preamble and Recitals

This Operating Agreement is entered into on August 20, 2020 by and between the Santa Barbara County Air Pollution Control District (“District”), a special district, referred to in this Agreement as “District,” and Exxon Mobil Corporation, a New Jersey corporation, whose address is 22777 Springwoods Village Parkway, Spring, Texas 77389, referred to in this Agreement as “ExxonMobil.”

A. ExxonMobil has been assigned and is the current lessee of certain real property and owner of certain personal property in the County of Santa Barbara, State of California, described on Attachments “A” and “C,” attached and made a part of this Agreement (referred to in this Agreement as “the Premises”).

B. ExxonMobil desires to have District operate the Air Quality Monitoring Station (“Monitoring Station”) on the Premises and, therefore, ExxonMobil desires to allow the District access to the Premises in accordance with the agreement of the parties as set forth in this Agreement. For purposes of the Lease Agreement (Attachment “A”), District shall function as and have the rights of a subcontractor to ExxonMobil. “District” shall include District staff and other associates as necessary to monitor and maintain equipment and perform quality assurance audits.

D. ExxonMobil represents that it has legal access and rights to use the property where the Monitoring Station is located pursuant to an assignment from Point Arguello Pipeline Company and Gaviota Gas Plant Company to Exxon Mobil Corporation Company dated effective August 20, 2020 (Attachment “B”) giving it rights to that certain Lease Agreement, dated August 15, 1985, by and between James A. Van Antwerp, Richard D. Van Antwerp and Virginia L. McGuire, as Trustees of the Reginald G. and Elizabeth Bunce Trust, hereinafter referred to as the Initial Lessor, and Chevron U.S.A. Inc., a corporation, (hereinafter referred to as the Initial Lessee) (hereinafter collectively referred to as the Initial Parties) and recorded January 21, 1987 as Instrument No. 1987-004804, in the Office of the Santa Barbara County Recorder, and can grant the District access to this site.

ARTICLE 1. SUBCONTRACT

Agreement to Allow District Access to Site

Section 1.01. ExxonMobil shall allow the District access to the Premises pursuant to this Operating Agreement and ExxonMobil’s Lease Agreement, (Attachments “A”), that are attached hereto and incorporated herein by this reference. The District’s operation of the Monitoring Station shall be according to District specifications that are set at the District’s discretion. The application of the District’s specifications shall be exercised within the limitations of the Lease Agreement and Section 1.02.

Alcohol and Drugs

Section 1.02. District acknowledges and agrees that it is responsible for and shall ensure that all services are performed in compliance with the District's Substance Abuse Policy No. 1100-067 and Reasonable Suspicion Testing Policy No. 1100-080, incorporated by reference herein.

Term of Agreement

Section 1.03. The term of this Agreement shall be for a period of 1 year, beginning September 1, 2020 and continuing from year to year thereafter, unless terminated as provided in this Agreement.

ARTICLE 2. CONSIDERATION

Section 2.01. ExxonMobil is providing access to the Premises to District in consideration for District's agreement to operate and maintain the Monitoring Station. ExxonMobil shall pay District all properly assessed District fees and costs for such services pursuant to District Rule 210 and Permit to Operate No. 5651 and any subsequent modifications. If the District installs or uses any additional monitoring equipment on the Premises pursuant to Section 3.01, ExxonMobil is not responsible for paying fees or costs related to the installation, operation, or maintenance of any additional monitoring equipment that the District may place or use on the Premises that is unrelated to ExxonMobil's monitoring obligations pursuant to Permit to Operate No. 5651 and any subsequent modifications. No other consideration shall be due for this Agreement. Nothing in this Agreement shall be construed to bar the District from collecting all properly assessed fees and costs necessary for the District to recover the cost of the services provided to ExxonMobil for air quality monitoring related to the Monitoring Station.

ARTICLE 3. USE OF PREMISES

Permitted Use

Section 3.01. The District shall use the Premises for the purpose of accessing, maintaining, and operating one existing Monitoring Station. With the advance written notification to ExxonMobil, the District may also use the Premises for the purpose of installing, accessing, maintaining, and operating additional monitoring equipment unrelated to ExxonMobil's Permit to Operate No. 5651 and any subsequent modifications.

Compliance with Laws

Section 3.02. In its use and occupancy of the Premises, District shall comply with all federal and state and county or municipal statutes, ordinances, regulations, and requirements of all governmental entities (and specifically limited to the use or occupancy by District of the Premises as stated in Section 3.01), whether those statutes, ordinances, regulations, and requirements are now in force or are subsequently enacted.

Access

Section 3.03. District shall have the right to access the Premises in the manner provided for the in the Lease Agreement (Attachment “A”). At all times, ExxonMobil shall maintain, at its own expense, the access road to the station in a safe and usable manner.

ARTICLE 4. UTILITIES

Section 4.01. District shall pay or cause to be paid, and hold ExxonMobil harmless from, all charges for the furnishing of electricity and telephone service, removal of garbage and rubbish and provision of other public utilities to the Premises during the term of this Agreement.

ARTICLE 5. IMPROVEMENTS

Section 5.01. ExxonMobil shall, at ExxonMobil’s sole cost and expense, provide at the time this Agreement is executed, the existing improvements, including air quality and meteorological monitoring facilities and equipment to District, as specified in Attachment “C”, in order for the District to continue to maintain operation of the Monitoring Station for the term of this Agreement. District may, as needed and at its discretion, update equipment with equivalent replacement equipment to maintain functionality of the Monitoring Station.

Control of Improvements

Section 5.02. The Monitoring Station and all improvements specified in Attachment “C”, or equivalent replacement equipment, purchased by the District specifically for use at this Monitoring Station shall be exclusively controlled by District until expiration of the term or earlier termination of this Agreement. Upon expiration of the term or earlier termination of this Agreement, the Monitoring Station, all improvements specified in Attachment “C”, or equivalent replacement equipment, shall be returned to the exclusive control of ExxonMobil. Equipment that has been replaced with equivalent equipment will by controlled by the District for use or disposal at the District’s discretion. The District may use other District-owned monitoring equipment on the Premises related to this Agreement as set forth in Section 3.01, which remains in the District’s control during this Agreement as well as upon expiration of the term or earlier termination. Additionally, District shall retain exclusive control and ownership of any equipment purchased by District that was not purchased as equivalent replacement equipment for use only at the Monitoring Station.

ARTICLE 6. REPAIRS

Maintenance by District

Section 6.01. At all times during the term of this Agreement, District shall keep and maintain the Premises and all appurtenances other than the access road (including any landscaped and parking areas) now or hereafter on the Premises in a first-class condition, in good order and repair, and in a safe and clean condition.

ARTICLE 7. TERMINATION & SUSPENSION

Section 7.01. District may, in its sole discretion, terminate this Agreement for convenience by giving at least six (6) months written notice to ExxonMobil. The Control Officer may provide such termination notice on behalf of the District.

Section 7.02. ExxonMobil may, in its sole discretion, terminate this Agreement for convenience by giving at least six (6) months written notice to District. Such termination shall become effective on the first date of July 1 following a period of six months after the date of delivery of the notice to the District.

Section 7.03. If this Agreement is terminated by either party for any reason, ExxonMobil shall be responsible for complying with the air quality monitoring requirements of its applicable Authority to Construct and/or Permit to Operate and any subsequent modifications and the applicable rules and regulations of the District and Environmental Protection Agency.

Section 7.04. If the District is denied access to the site, the District's obligation to operate the Monitoring Station shall be suspended for the period access is denied and ExxonMobil shall be responsible for complying with the air quality monitoring requirements of its applicable Authority to Construct and/or Permit to Operate and the applicable rules and regulations of the District and Environmental Protection Agency. Such suspension shall not suspend any payments due to the District under this agreement. Alternatively, in the event of denied access, the Control Officer may elect to terminate this Operating Agreement by giving written notice of termination to ExxonMobil. Such notice of termination shall be effective 30 days after receipt by ExxonMobil. In the event that the District is denied access to the site and the Agreement is subsequently terminated, or at such time that the Agreement is terminated for other reasons, within 30 days of the effective date of termination of the Agreement, the District shall be granted temporary access to the site sufficient for the purpose of removing any District-owned equipment.

Section 7.05. If the Lease Agreement (Attachment "A") is terminated by ExxonMobil or the Lessor, ExxonMobil shall promptly notify the District within five (5) calendar days to ensure that the District is able to remove any District property prior to the end of thirty (30) days after the Lease Agreement is terminated.

ARTICLE 8. INDEMNITY

Indemnity Agreement

Section 8.01. District shall indemnify and hold ExxonMobil free and harmless from any and all liability, claim, loss, damages, or expenses resulting from negligent or willful misconduct by District related to the District's use of the Premises. District shall not be liable for any consequential or incidental damages, unless caused by the gross negligence or willful misconduct attributable to its senior supervisory and managerial personnel.

Section 8.02. ExxonMobil shall indemnify and hold District harmless from any and all liability, claim, loss, damages, or expenses resulting from ExxonMobil's negligence or willful misconduct related to District's use of the Premises.

ARTICLE 9. ASSIGNMENT

Section 9.01. This Agreement shall not be assigned by either party without the prior written consent of the other party. The Control Officer may provide such consent on behalf of the District.

ARTICLE 10. MISCELLANEOUS

Notices

Section 10.01. Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by either first class mail, postage prepaid, e-mail, or otherwise delivered as follows:

To District:

Santa Barbara County Air Pollution Control District
260 N. San Antonio Rd., Suite A
Santa Barbara, California 93110
Attn: Air Pollution Control Officer
Telephone Number: 805-961-8800

To ExxonMobil:

Exxon Mobil Corporation
22777 Springwoods Village Parkway Spring, Texas 77389
Attn: Commercial & Land
Manager, UOG U.S. Conventional
E-mail: Production.US.Land@exxonmobil.com
Telephone Number: 832-624-6203

Or at such other postal or e-mail address or to such other person that the parties may from time to time designate. Notices and consents under this section, which are sent by mail, shall be deemed to be received five (5) days following their deposit in the U.S. mail. Actual delivery of e-mail notices will only be deemed complete when the recipient transmits a written acknowledgment of successful receipt, which the recipient shall have an affirmative duty to furnish promptly after such successful receipt.

Governing Law

Section 10.02. The laws of the State of California shall govern this Agreement. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the Central District of California, if in federal court.

Binding on Heirs and Successors

Section 10.03. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

Section 10.04. This Agreement may only be amended in writing executed by the District and ExxonMobil.

Counterparts

Section 10.05. This Agreement may be executed in any number of identical counterparts, and each such counterpart shall be deemed a duplicate original thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement as set forth below, to be effective on September 1, 2020.

ATTEST:

AERON ARLIN GENET
Clerk of the Board

By _____
Deputy

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

By _____
Aeron Arlin Genet
Air Pollution Control Officer

Date _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
Santa Barbara County Counsel

By _____
District Counsel

EXXON MOBIL CORPORATION

By Timothy J. Brinkley *WMD*
Timothy J. Brinkley
Agent and Attorney-in-Fact

Date August 13, 2020

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
Risk Manager

By _____
Risk Manager

APPROVED AS TO FORM:

BETSY M. SCHAFFER, CPA
Auditor-Controller

By _____
Deputy

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AERON ARLIN GENET
Clerk of the Board

By _____
Deputy

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

By _____
Aeron Arlin Genet
Air Pollution Control Officer

Date _____

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
Santa Barbara County Counsel

By  _____
District Counsel

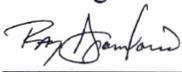
EXXON MOBIL CORPORATION

By _____
Timothy J. Brinkley
Agent and Attorney-in-Fact

Date _____

APPROVED AS TO FORM:

RAY AROMATORIO, ARM, AIC
Risk Manager

By  _____
Risk Manager

APPROVED AS TO FORM:

BETSY M. SCHAFFER, CPA
Auditor-Controller

By  _____
Deputy

Attachment A
Lease Agreement

Bunce Trust Lease Agmt # 438690
PT Arguello

KENNETH A. PETTIT
CLEARING

SANTA BARBARA CO. CA.

1987-004804

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2	1/21/87	1.00	RE
3	1/21/87	6.00	AU

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RECORD AND RETURN TO
CHEVRON U.S.A. INC.
LAND DEPARTMENT
WESTERN REGION
P. O. BOX 988
SAN RAMON, CA 94568-0988

LEASE AGREEMENT

THIS LEASE, dated the 15th day of August, 1985, by and between James A. Van Antwerp, Richard D. Van Antwerp and Virginia L. McGuire, as Trustees of the Reginald G. and Elizabeth Bunce Trust, hereinafter termed Lessor, and CHEVRON U.S.A. Inc., a corporation, hereinafter termed Lessee.

WITNESSETH:

Lessor does hereby lease unto Lessee the surface rights only to a portion of that certain land situate in the County of Santa Barbara, State of California described as follows to-wit:

That portion of Lot 1 and that portion of the northwest one-quarter of the northwest one-quarter of Section 25, Township 4 North, Range 25 West, San Bernardino Meridian, in the County of Santa Barbara, State of California, described below:

Beginning at a 1/2 inch survey pipe set in the easterly line of the tract of land conveyed to Boss Wiser, et al., by deed recorded March 10, 1954 as Instrument No. 4153 in Book 1223, Page 62 of Official Records, records of said County, from which the most northeasterly corner of said Wiser tract bears north 0°22' east 1282.58 feet; thence 1st, south 0°22' west along the easterly line of said tract, 576.45 feet to a spike set in the pavement on the center line of Gobernador Road; thence 2nd, north 59°31'30" west leaving said easterly line and along the center line of said road, 689.35 feet to a spike set at the intersection point of said center line with the westerly line of said Wiser tract; thence 3rd, north 0°22' east leaving said center line and along the westerly line of said Wiser tract, 230.23 feet to a 1/2 inch survey pipe, from which the northwesterly corner of said Wiser tract bears north 0°22' east 1282.58 feet; thence 4th, south 89°40' east leaving said westerly line, 596.31 feet to the point of beginning.

Said land commonly known as 7248 Gobernador Canyon Road, Carpinteria, California.

UPON and subject to the following provisions, the obligations of Lessee set forth below to be deemed both covenants and conditions:

1. Said land shall be used exclusively for an air quality monitoring station and any buildings, structures, or appertenances required by Lessee are to be constructed, equipped, maintained and operated by Lessee at Lessee's sole cost and expense.

The exact size (approximately 30' x 30') and location of said air monitoring station to be determined by a survey to be made by Lessee and within one (1) year from the date hereof, Lessee shall execute and deposit for record in the office of the County Recorder of Santa Barbara County an instrument containing the description of said land as determined by said survey. The Lessor expressly grants to Grantee permission for entry upon said land for the purpose of surveying and locating said land for the air monitoring station.

2. This lease shall be for the term of thirty (30) years from the 15th day of August, 1985, to the 15th day of August, 2015, and thereafter until terminated. This lease may be terminated on or after the date last mentioned by either party giving the other not less than six (6) months prior written notice specifying the date of termination.

3. Lessor further grants to Lessee or its agents the right of ingress and egress to and from the air monitoring station over, through and along said land.

4. Lessee shall pay Lessor as rental hereunder the sum of Six Thousand Dollars (\$6,000) per year for the first fifteen (15) years and Two Thousand Four Hundred (\$2,400) per year for the second fifteen (15) years, commencing on the 15th day of August, 1985, and payable annually, in advance on or before August 15th of each year thereafter.

5. Lessee, at Lessee's own cost and expense, shall at all times keep said land and all buildings and structures now or hereinafter erected or placed thereon, in good order and repair, in a neat, safe, sanitary condition, free from waste or damage and in strict conformity with all federal, state, county and municipal laws, rules, ordinances and regulations applicable thereto.

6. Lessee shall pay for all materials joined or affixed to said land, for all labor performed thereon, and for all taxes, charges, rates and assessments levied or assessed upon or against any buildings, structures or other property or improvements upon said land, or that portion of any tax, charge, rate or assessment levied or assessed upon or against said land which is based upon the value of said buildings,

structures or other property or improvements thereon. And Lessee shall not permit or suffer any lien of any kind or nature to be imposed or enforced against said land for any work done or material furnished thereon at Lessee's instance or request, that Lessor may, at its election, pay and discharge any or all such liens, taxes, charges, rates and assessments, and all such payments so made by Lessor, with interest thereon at the rate of ten percent (10%) per annum from date of payment, shall be repaid to Lessor by Lessee upon demand, and, until so repaid, shall be a charge and lien against any buildings, structures or other property upon said land.

7. If Lessor shall bring any action at law or other proceeding against Lessee to enforce the payment of any rent due, or to enforce any of the terms or conditions hereof, or to recover possession of said land, Lessee shall pay to Lessor all reasonable attorneys' fees expended or incurred by it in any such action or proceeding the amount of such fees to be determined by the Court and to be included in any judgment recovered in any such action or proceeding.

8. Upon the termination of this lease Lessee shall surrender and deliver unto Lessor the quiet and peaceful possession of said land in good order, repair and condition, allowing for reasonable wear thereof, provided Lessee may, if not in default hereunder and shall on the request of Lessor (regardless of default), within thirty (30) days after such termination, remove any buildings, structures or other property placed upon said land by or on behalf of Lessee, and shall promptly repair all damage caused thereby. Any building, structure or other property on said land at the end of such thirty (30) day period shall thereupon become the property of the Lessor.

9. Lessee agrees to indemnify and hold Lessor, their employees, successors and assigns, and each of them, harmless from any and all losses, expenses, claims and demands for injury to or death of person, or damage to or loss of property, arising out of or connected with Lessee's use of said land, excepting such losses, expenses, claims and demands for injury to or death of person or damage to or loss of property caused by Lessor, or their employees, respective successors and assigns.

10. Lessee shall have the right, from time to time and at any time during Lessee's occupancy of said land to remove, repair or replace any and all buildings, improvements, fixtures and equipment owned or placed by Lessee, its successors or assigns, in or upon said land.

11. Lessee may terminate this lease at any time prior to August 15, 2015 during the term hereof, or any extension thereof, by giving Lessor one (1) year prior written notice of such termination.

12. Lessee may assign this lease or sublease said land, or any part thereof, provided that no such act on the part of Lessee shall operate to relieve it of any of its obligations under this lease.

13. Lessor shall make available to Lessee the existing electricity and telephone service on said land. Lessee shall pay all costs for installation and use of such utilities to its air monitoring station.

14. After installation of the air monitoring station Lessee, in a manner and to the extent it determines appropriate, shall plant shrubs around the air monitoring station. Notwithstanding anything to the contrary herein, Lessor shall maintain the shrubs at its sole cost and expense. Lessee reserves the right from time to time and at any time to cut back, prune or remove any shrub(s) it feels is interfering in any way with the air monitoring station.

15. No failure to perform any condition or covenant of this lease shall entitle Lessor to terminate this Lease unless such failure shall have continued sixty (60) days after notice in writing requiring performance in accordance with such condition or covenant shall have been given to Lessee.

16. If Lessor fails to pay its share of the taxes set forth in the lease promptly when due, or fails to perform promptly any obligation to a third person, which, if unperformed, might result in termination of this lease, including an obligation to Lessor's lessor or trustor, if any, and an obligation to a third person secured by a lien on the leased premises, Lessee may pay such taxes or perform such obligation for the account of Lessor and bill Lessor for the cost thereof, or deduct such cost from rentals accruing under this lease.

17. All notices with respect to this lease shall be in writing. Notices to Lessor hereunder shall, until further written notice by Lessor, be addressed to Lessor at:

Richard D. Van Antwerp
1875 Cate Mesa Road
Carpinteria, CA 93013

Notices to Lessee hereunder shall, until further written notice by or on behalf of Lessee, at:

Chevron U.S.A. Inc.
P.O. Box 5050
San Ramon, CA 94583-0905
Attention: General Manager, Land Department

The deposit of any such notice so addressed in a United States Post Office Box, postage fully prepaid, delivered by registered mail shall constitute due and adequate service of such notice.

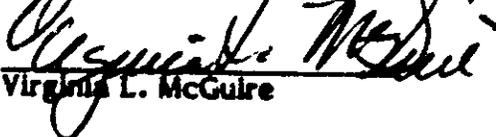
18. This lease may be executed by signature to the original of this instrument, or a counterpart hereof, or to any other instrument which binds the signatory to become a party hereto or to be bound by the provisions hereof. The signing of any such instrument shall have the same effect as if all parties had signed the same instrument.

19. The covenants and conditions of this lease shall insure to the benefit of and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto, as the case may be.

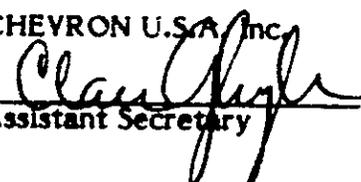
IN WITNESS WHEREOF, the parties hereto have executed this lease as of the day and year first hereinabove written.

Lessor:


James A. Van Antwerp

Richard D. Van Antwerp

Virginia L. McGuire

Lessee:

CHEVRON U.S.A. Inc.

Assistant Secretary

State of California }
County of Santa Barbara } ss.

On this the 31 day of January 1986, before me,

Jennifer L. Heath

the undersigned Notary Public, personally appeared

Richard D. Van Antwerp * * * * *

personally known to me
 proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he executed it. WITNESS my hand and official seal.



Jennifer L. Heath
Notary's Signature

STATE OF CALIFORNIA
COUNTY OF Santa Cruz

On this 7th day of February in the year 1986, before me

Deborah Ann Davis, a Notary Public, State of California, duly commissioned and sworn, personally appeared

Virginia L. McGuire * * * * *, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged to me that she executed the same.

IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal in the town of Aptos County of Santa Cruz on the date set forth above in this certificate.



Deborah Ann Davis
Notary Public, State of California

My commission expires February 20, 1988

This document is only a general form which may be proper for use in certain transactions and in no way sets, or is intended to set, as a standard for the conduct of an attorney. The publisher does not make any warranty, either express or implied, as to the legal validity of any provision or the accuracy of these terms in any specific transaction.

State of California }
County of Los Angeles } ss.

On this the 26th day of February 1986, before me,

Carol L. Kraushaar

the undersigned Notary Public, personally appeared

James A. Van Antwerp

personally known to me
 proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is subscribed to the within instrument, and acknowledged that he executed it. WITNESS my hand and official seal.



Carol L. Kraushaar
Notary's Signature

State of California)
County of Contra Costa) ss.

On January 5, 1987 before me, PEGGY L. DE PIAZZA

a Notary Public in and for said County and State, duly commissioned and sworn, personally appeared CLAIR GHYLIN, personally known to me (or proved to me on the basis of satisfactory evidence) to be Assistant Secretary of Chevron U.S.A. Inc., the corporation described in and that executed the within instrument, and also known to me to be the person(s) who executed it on behalf of the said corporation therein named, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal, in the County and State aforesaid the day and year in this certificate above written.



Peggy L. De Piazza
Notary Public in and for said County of Contra Costa, State of California

Attachment B

Assignment

RECORDING REQUESTED BY:
FREEPORT-MCMORAN OIL & GAS LLC

WHEN RECORDED RETURN TO:
FREEPORT-MCMORAN OIL & GAS LLC
ATTN: DAVID ROSE
201 S. Broadway
Orcutt, CA 93455

APN 001-050-030

ASSIGNMENT OF LEASE
(Carpinteria Air Monitor Station Site)

FOR VALUE RECEIVED, effective 12:00 a.m. on August 20, 2020 ("Effective Time") the undersigned, ARGUELLO INC. ("ARGUELLO"), a Delaware corporation, hereby assigns, transfers and sets over unto EXXON MOBIL CORPORATION, a New Jersey corporation ("EXXONMOBIL"), all of its right, title and interest in, to and under, that certain Lease Agreement dated August 15, 1985, by and between James A. Van Antwerp, Richard D. Van Antwerp and Virginia L. McGuire, as Trustees of the Reginald G. and Elizabeth Bunce Trust, (the "INITIAL LESSOR"), and Chevron U.S.A. Inc., a corporation, (the "INITIAL LESSEE"), the foregoing hereinafter collectively referred to as "THE INITIAL PARTIES", being recorded as Instrument No. 1987-004804, in the Office of the Santa Barbara County Recorder, (the "LEASE"), commonly known as the 7248 Gobernador Canyon Road, Carpinteria, California site, which is more fully described in the recorded Lease, subject to all of the covenants, conditions and provisions contained therein.

WHEREAS, THE INITIAL PARTIES intended for the land subject to the LEASE to be used for the siting and operation of an air monitoring station in furtherance of the INITIAL LESSEES' compliance with certain regulatory and permit conditions. To that end, an air monitoring station was established with the attendant improvements to the land, utilities and instruments (the "CARPINTERIA AIR MONITORING STATION").

WHEREAS, on July 15, 1992, the INITIAL LESSOR sold the property at 7248 Gobernador Canyon Road, Carpinteria, State of California, by Grant Deed to Christopher Ashley Painter, a single man, and such conveyance is recorded as Instrument No. 92-057320, in the Office of Santa Barbara County Recorder, State of California. Mr. Christopher Ashley Painter is the successor in interest to the INITIAL LESSOR and remains the surface owner to date.

WHEREAS, on February 22, 1999, the INITIAL LESSEE assigned, transferred and set over by Assignment of Lease unto ARGUELLO all of its right, title, and interest in, to and under the LEASE, and such conveyance is recorded as Instrument No. 99-055222, in the Office of Santa Barbara County Recorder, State of California.

WHEREAS, ARGUELLO has been operating the CARPINTERIA AIR MONITORING STATION as part of an overall program of compliance with certain permit conditions and regulations related to certain of its oil and gas operations. Said operations have now been permanently discontinued, and therefore ARGUELLO plans to discontinue operation of the CARPINTERIA AIR MONITORING STATION.

WHEREAS EXXONMOBIL desires to continue the operation of the CARPINTERIA AIR MONITORING STATION in connection with certain permit conditions and regulations related to certain of its oil and gas operations.

NOW, THEREFORE, in consideration of the mutual covenants and agreement contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. As of the Effective Time, ARGUELLO assigns, transfers, and sets over unto EXXONMOBIL the LEASE.
2. EXXONMOBIL is aware of the existing annual rental payment obligation due to Mr. Christopher Ashely Painter, LESSOR, in the amount of \$2,400.00, paid annually on the anniversary date of the LEASE (August 15th).
3. As of the Effective Time, ARGUELLO transfers all rights, title and interest in the CARPINTERIA AIR MONITORING STATION facilities described in Exhibit "A", situated on the land subject to the LEASE, to EXXONMOBIL in exchange for \$25,000.00.
4. ARGUELLO has given notice to EXXONMOBIL regarding the existing air monitoring compliance plan and operational procedures of the CARPINTERIA AIR MONITORING STATION. As of the Effective Time, ARGUELLO will cease operations and maintenance of the CARPINTERIA AIR MONITORING STATION and EXXONMOBIL will be responsible for the operation and maintenance thereafter.
5. ARGUELLO has given notice to EXXONMOBIL regarding the existing utility services required to operate the CARPINTERIA AIR MONITORING STATION (Southern California Edison and Verizon). As of the Effective Time, ARGUELLO will terminate said utility services. EXXONMOBIL will be responsible for arranging the new utility services it wishes to retain.
6. ARGUELLO shall remain liable for any and all claims, liabilities, rights, and causes of action (the "Claims") concerning the Lease, including environmental claims and claims brought by third parties accrued before the Effective Time, whether discovered before or after the Effective Time. ARGUELLO indemnify, defend, and hold ExxonMobil and its affiliates harmless from said Claims, regardless of when or how the Claims arose.

This Assignment and its terms and conditions shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns, and shall be governed by and construed

and enforced in accordance with the laws of the State of California. This Assignment may be executed in multiple counterparts, all of which together will be considered one instrument.

This Assignment is executed on the date of the respective acknowledgments below, but shall be effective as of the Effective Time first hereinabove written.

ASSIGNOR:

ARGUELLO INC.

a Delaware corporation

Name:

Title:

ASSIGNEE:

EXXON MOBIL CORPORATION

a New Jersey corporation

Timothy J. Brinkley

Agent and Attorney-in-Fact

ACKNOWLEDGMENTS

STATE OF TEXAS §
COUNTY OF HARRIS §

The foregoing instrument was acknowledged before me on this ___ day of August, 2020, by Timothy J. Brinkley, Agent and Attorney-in-Fact for Exxon Mobil Corporation, a New Jersey corporation, on behalf of said corporation.

My Commission Expires:

Notary Public, State of Texas

STATE OF TEXAS §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me on this ___ day of August, 2020, by _____, _____ for Arguello Inc., a Delaware corporation, on behalf of said corporation.

My Commission Expires:

Notary Public, State of Texas

EXHIBIT "A"

CARPINTERIA AIR MONITORING STATION FACILITIES

Attached to and made a part hereof to that certain Assignment of Lease, by and between, Arguello Inc. (ARGUELLO), as Assignor, and Exxon Mobil Corporation (EXXONMOBIL), as Assignee, covering the Carpinteria Air Monitor Station, located in Carpinteria, California.

The Lease Assignment covers the transfer of ownership of the Carpinteria Air Monitor Station facilities as follows:

- Trailer/shelter structure, antenna, chain-link fence around perimeter of trailer site, and one air conditioning unit

- Various instruments and electronics including: Teledyne O3 Analyzer 400E (Serial #345), Teledyne Calibrator T700 (Serial #4115), Teledyne Zero Air Supply 701 (Serial 1545), Met Tower, WS Sensor, WD Sensor, ATM Sensor and Aspirator, Met Translator, electrical wires and harnesses, and various storage racks to stabilize such instruments and equipment.

- Security: Includes one combination lock to secure front gate and fence area housing the Carpinteria Air Monitoring Station facilities.

- Access to the Carpinteria Air Monitor Station is established by Lease assigned to EXXONMOBIL, which allows access from a public road to the southern portion of the property identified at 7248 Gobernador Canyon Road, Carpinteria, California.

Attachment C

Inventory

Equipment Inventory for the Carpinteria Station		
Equipment	Manufacturer	Model
Shelter/Trailer		
Air Conditioner		
Tower 10 meter		
Chain-link Fence around perimeter		
Ozone Analyzer	Teledyne API	400e
Gas Calibrator	Teledyne API	T700
Zero Air Generator	Teledyne API	701
Wind Speed Sensor	Met One	010B
Wind Direction Sensor	Met One	020B
Temperature Sensor	Met One	060A-2
Temperature Aspirator	Met One	
Met Translator	Met One	
Racks		
Sample Inlet and manifold		
SS Gas Regulator		
Equipment Inventory from the Nojoqui Station		
Equipment	Manufacturer	Model
Ozone Analyzer	Teledyne API	T400
Gas Calibrator	Teledyne API	T700
Nox Analyzer	Termo	42i
Zero Air Generator	Teledyne API	701h