

H.B. Case No.:	<u>2022-05-R</u>
Petitioner:	<u>Beacon West Energy Group, LLC</u>
Permit No.:	<u>PT 70/PTO 9108-R4</u>
Date Rec'd:	<u>05/10/2022</u>
Time Rec'd:	<u>0939 hours</u>
Filing Fee Paid:	<u>\$649.00</u>

PETITION FOR VARIANCE

Type of Variance Requested:	
Emergency _____	Interim ¹ <u>XX</u>
90-Day _____	Regular <u>XX</u>
Length of Variance Requested:	Start Date <u>5-9-22</u>
	End Date <u>5-8-23</u>
¹ 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: Beacon West Energy Group LLC [Attn: John Garnett]
 Address: 1145 Eugenia Place #101
Carpinteria, CA 93013
 Phone Number: (805) 395-9676

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: [Same as 1.A]
 Address: Email: john.garnett@beacon-west.com

 Phone Number: (805) 395-9676

C. The Petitioner is (please check one):

1) An Individual ()

- 2) Partnership (X)
- 3) Corporation ()
- 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 Hogan – Parcel OCS-P-0166, Carpinteria Field, Outer Continental Shelf

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

FINAL Part 70/APCD Permit to Operate No. 9108-R4

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

Beacon West Energy Group LLC (Beacon West) requests an Interim Variance to address well pressure issues on Platform Hogan. Petition for Regular Variance is being submitted concurrently with this petition.

There has been a development in the Platform Hogan well bay resulting in pending non-compliance with Rule 325 and condition C.9 of PTO 9108 (due to current lack of operational flare): District inspection of Platform Hogan on 5/4/22 identified fugitive component leaks at Wells A-14 and A-40 in excess of 50,000 ppm. These leaks had been previously discovered but not quantified via soap screening by Beacon West. Note that Platform Hogan is currently under variance coverage for Rule 331. Due to safety issues presented by the now verified high concentration of the leaks, these wells must be intermittently depressurized through the flare header to reduce potential impact on workers. Since the flare is currently not operational, this venting will constitute a violation of Rule 325 and permit condition C.9. Interim and Regular variance coverage is needed since repairs will not be able to be accomplished until ongoing platform repairs are completed to allow for contractors to conduct well repairs.

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.

1) District Rule 325.E.1 and 206, Permit Condition No. 9.C.9.

- 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.

Compliance with subject requirements is beyond our reasonable control at this time since the flare cannot be repaired until sufficient repairs to the platform are completed to allow for deployment of necessary personnel and materials. Venting of leaking wells is required to ensure worker safety in the well bay.

- 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.

Beacon West is unable to immediately comply with the subject requirements since the flare cannot currently be repaired and returned to operation. The facility is already closed from a practical standpoint, since it was abandoned by previous Operator and recently delegated to legacy Responsible Parties to initiate facility monitoring and maintenance activities.

- 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.

The platform is not operating and will not resume production. Variance will allow for safe routing of well gas to a stack above and away from personnel. This will be accomplished by routing gas from wells through the well header then through the flare stack. It is not possible to immediately comply with the subject requirements for safety reasons and because the flare is currently not operational.

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

Source operations have already been permanently curtailed, and the long-term planning for decommissioning is ongoing.

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

Wells will only be vented for long enough to reduce pressures of the leaking wells to eliminate hazards to personnel in the well bay. Venting will typically occur in the morning and will last for 1-4 hours, until well pressures are reduced to zero (as determined by pressure gauge). Valve to flare header will be closed at all other times, with a visual confirmation that the valve is shut.

- 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.

Venting volumes will be monitored by flare meter and reported to the District as requested. Concentrations obtained during May 2022 District inspection will be used to calculate mass emissions. Planning is now underway to initiate Method 21 inspections (potentially in 3Q2022); this will provide more information regarding fugitive leak concentrations.

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: N/A Time: _____

Breakdown number (as provided by the District): N/A

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


N/A

- C. 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.

N/A

7. Will the operation of the equipment subject to this variance result in violation of District Rule 303, Nuisance?
No.
8. Please state whether or not any civil or criminal case involving the equipment subject to this variance is pending any court. There are no civil or criminal cases involving the equipment subject to this variance.

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

DATE: May 9, 2022 SIGNATURE:  _____
TITLE: EHSR Advisor
PRINT NAME: John Garnett