Status Update on Oil and Gas Operations

Board of Directors
Santa Barbara County
Air Pollution Control District

Our Mission: To protect the people and the environment of Santa Barbara County from the effects of air pollution.

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Executive Director / Air Pollution Control Officer

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Overview

- Background
- Onshore Oil and Gas Operations
- Offshore Platforms
- Inspections
- Enforcement
- Compliance Statistics
- Methane Emissions
- Orphan Oil and Gas Operations

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Background

- Federal Clean Air Act and California Health and Safety Code
- 89 permitted oil and gas sources:
  - Active, idle, and orphan wells
  - Oil and gas plants
  - Asphalt refinery
  - Oil and gas pump stations
  - Natural gas storage facility
  - Natural gas odorant & metering stations
- Permitted Facilities Map

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https://map.ourair.org
Onshore Oil and Gas - Pipelines

- Plains All-American Pipeline:
  - May 2015 rupture and closure
  - October 2022 sold to Pacific Pipeline Company
  - Out of service

- Phillips 66 Pipeline:
  - January 2023 Phillips 66 Santa Maria refinery closed
  - Idle
Onshore Oil and Gas - Decommissioning

- Beachfront Lease PRC-421
  - California State Lands Commission
- Carpinteria Gas Plant
  - Chevron U.S.A., Inc.
- Ellwood Marine Terminal
  - University of California - Santa Barbara
- Gaviota Oil Heating Facility
  - Freeport-McMoRan Oil & Gas, LLC.
- Summerland Legacy Well Re-Abandonment
  - California State Lands Commission
- Waite Bradley/Brookings Lease
  - BE Conway Energy, Inc.

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Onshore Oil and Gas - Transfers

- Pacific Coast Energy Company acquired additional oil and gas leases:
  - 28 Leases from Team Operating Company
  - Escolle Lease from Amrich Energy
  - Careaga Lease from Santa Maria Energy
- Angel Petroleum acquired 147 wells from Team Operating Company
Onshore Oil and Gas - P&D Applications

- Gato Ridge/West Cat Canyon (Cat Canyon Resources)
  - Application for gas pipeline to connect Tognazzini Lease to Cat Canyon

- Lompoc Oil Fields (Sentinel Peak Resources)
  - Application for new truck loading rack and related trucking operations

- Orcutt Hill (Pacific Coast Energy Company LP)
  - Application for bi-directional pipeline between Orcutt Hill leases

- Sisquoc/North Garey (Asphalta, LLC. f.k.a. PetroRock, LLC.)
  - Application for additional steam generator

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Onshore Oil and Gas - Not Operating

- Ellwood Onshore Facility (Venoco, LLC.)
  - Idle and for sale
- Lompoc Oil and Gas Plant (Freeport-McMoRan Oil & Gas, LLC.)
  - Idle due to Phillips 66 Santa Maria refinery closure
- Santa Maria Asphalt Refinery (California Asphalt Production)
  - Shut down due to SBC Fire June 2021 stop work order and for sale
- Santa Ynez Unit Oil and Gas Plant (ExxonMobil Upstream Company)
  - Preservation mode, Part 70 permit renewals issued February 2023

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Offshore Platforms

- 16 Platforms:
  - 5 operational (A, B, C, Henry, Hillhouse)
  - 7 being decommissioned (Habitat, Harvest, Hermosa, Hidalgo, Hogan, Holly, Houchin)
  - 4 shut-in, awaiting method to get oil to the market (Harmony, Heritage, Hondo, Irene)
Inspections

- Initial and routine
- Major sources: 2-4 times per year
- Small and medium sources:
  - Once per year
  - Once every two years
  - Once every three years
- Frequency determined by:
  - District priorities and workload
  - Inspector staffing levels
  - Compliance history of the source

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Inspection Equipment

- FLIR GFX 320 Infrared Camera
- Jerome J605 H$_2$S Analyzer
- Personal H$_2$S Monitor
- Toxic Vapor Analyzer 2020
- H2S Colorimetric Tube and Pump

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Enforcement

- Notice of Violation (NOV):
  - Documents non-compliance with air quality requirements
  - Initiates corrective action to comply with applicable requirements
  - Reduces air pollution

- Monetary penalties
  - Incentive for continuing compliance

- District staff ensure compliance is achieved
Compliance Statistics

- Decrease in oil and gas production:
  - Platform decommissioning due to 2015 Plains All-American Pipeline rupture
  - Relinquished oil platform leases
  - Bankruptcies
  - 2023 Phillips 66 Santa Maria Refinery closure

- District workload decreases
- District decreased fee revenue

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Methane Emissions

- District Rule 331 Fugitive Emissions Inspection and Maintenance:
  - Regulates fugitive leaks at onshore and offshore oil and gas facilities

- CARB Oil and Gas Methane Regulation:
  - Regulates methane emissions from oil and gas production, processing, storage, and transmission stations
  - June 2023 amendments:
    - Better align with US EPA requirements
    - Implementation experience improvements
    - Make it easier to understand and adhere to

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Methane Task Force

- Methane Task Force jointly lead by CARB and CalGEM

- Goals:
  - Identify and respond to methane leaks from oil infrastructure near communities
  - Address the impact methane has on climate change

- Convenes on a regular basis to:
  - Share updates on statewide efforts
  - Elevate opportunities for public and local agency engagement
Orphan Oil and Gas Operations

- 210 wells orphaned through HVI Cat Canyon bankruptcy process:
  - 171 wells being permanently plugged and abandoned by CalGEM
  - 39 wells may require complex remedial work and will be addressed separately by CalGEM

- The District is working closely with CalGEM to:
  - Ensure the project complies with all District regulatory requirements
  - Explore services the District could provide to verify no remaining methane emissions or leaks
Questions
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