

Keith Wenal
Beacon West Energy Group
1145 Eugenia Place, Suite 101
Carpinteria, CA 93013

FID: 03105
Permit: PM 08234 08
SSID: 01063

Re: Permit to Operate Application 08234-08

Dear Keith Wenal:

On October 8, 2024, the Santa Barbara County Air Pollution Control District (District) determined that your application for Permit to Operate (PTO Mod) No. 08234-08 to remove permit conditions in PTO 8234-R12 related to Ambient Air Quality Station requirements was complete. The District will make a decision to either issue or deny a permit for the application within 180 days from the completeness date.

Please be advised that operations not authorized by the Authority to Construct Source Compliance Demonstration Period permit condition violate District Rule 201 and may result in penalties.

Please include the Facility Identification (FID) and Permit numbers shown above on all correspondence regarding this permit application. If you have any questions, please call me at (805) 979-8312.

Sincerely,



William Sarraf, Division Supervisor
Engineering Division

cc: Platform Holly 03105 Project File
Engr Chron File

\\sbcapcd.org\shares\Groups\ENGR\WP\Oil&Gas\Major Sources\SSID 01063 Venoco - Ellwood\03105 Platform Holly\PTOs\PTO Mod 8234-08\PTO Mod 08234 08 - PTO Completeness - 9-11-2024

STATE OF CALIFORNIA

GAVIN NEWSOM, Governor

**CALIFORNIA STATE LANDS
COMMISSION**

301 E. Ocean Blvd., Suite 550
Long Beach, CA 90802-8833



Established in 1938

JENNIFER LUCCHESI, Executive Officer

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TTY CA Relay Service: **711** or Phone
800.735.2922

from Voice Phone **800.735.2929**
or for Spanish **800.855.3000**

Contact Phone: 562.590.5201

Contact Fax: 562.432.6035

September 16, 2024

Sent Electronically Only: harrisd@sbcapcd.org

File Ref.: Leases 3120.1, 3242.1

Davi Harris, Division Manager
Santa Barbara County Air Pollution Control District
260 N. San Antonio Rd., Suite A
Santa Barbara, CA 93110

**Subject: Completion of Permanent Plug and Abandonment of Wells, Leases
3120.1, 3242.1, Platform Holly Offshore Goleta, Santa Barbara County**

Dear David Harris,

This letter is to attest and certify that on September 3, 2024, the California State Lands Commission, as operator of Platform Holly offshore Goleta, Santa Barbara County, has completed the permanent plug and abandonment of all 30 well located on the platform, including the cutting and removal of each conductor casing previously linking the platform to the former oil and gas wells.

As of September 3, 2024, Platform Holly has no potential to produce oil or gas, including hydrogen sulfide gases which were the concern and risk identified within Permits to Operate and the 1999 abatement order by the District. We formally request that the District please consider this information in light of the Commission's applications before the District. Please do not hesitate to contact me if you have any questions.

Sincerely,

DocuSigned by:
Peter Regan
AEC65FD2888147B...

Peter Regan
Assistant Division Chief
Mineral Resources Management Division

Cc: keith.wenal@beacon-west.com, sarrafw@sbcapcd.org
tricia.winterbauer@beacon-west.com

October 18, 2023

Certified Mail
Read Receipt Requested 9171 9690 0935 0315 1516 23

John Garnett
Beacon West Energy Group
1145 Eugenia Place, Suite 101
Carpinteria, CA 93013

FID: 03105
Permit: PM 08234 08
SSID: 01063

Re: Incomplete Permit to Operate Application 08234 08

Dear John Garnett:

On June 26, 2023, the Santa Barbara County Air Pollution Control District (District) received your application for Permit to Operate (PTO Mod) No. 08234 08 for the removal of ambient air quality monitoring requirements. Additional information and/or clarification of information already submitted is required. In order to complete the application, please respond to each of the items listed in the attachment. After we receive the requested information, we will inform you within 30 days if the application is complete.

According to Rule 208.D.4, the application will be denied 120 days after the date of filing if sufficient information needed to deem the application complete has not been submitted, unless the District has, in writing, extended the time.

Please include the Facility Identification (FID) and Permit numbers shown above on all correspondence regarding this permit application. If you have any questions, please call me at (805) 979-8317. Thank you for your cooperation.

Sincerely,



Agnieszka Letts, Air Quality Engineer II
Engineering Division

Attachment: Incompleteness Items

cc: Platform Holly 03105 Project File
Engr Chron File
Agnieszka Letts

\\sbcpd.org\shares\Groups\ENGR\WP\Oil&Gas\Major Sources\SSID 01063 Venoco - Ellwood\03105 Platform Holly\PTOs\PTO Mod 8234-08\PTO Mod 08234 08 - PTO Incompleteness - 10-16-2023

ATTACHMENT

PTO MOD NO. 08234 08 INCOMPLETENESS ITEM LIST

1. **Potential to Emit.** Please respond with additional information explaining how Platform Holly no longer has the potential to emit and affect onshore receptors. Based on correspondence from CSLC, additional remediation of the wells is required, pushing P&A completion into Q1 2024. Due to the remaining P&A work, there may be a potential to emit and effect on onshore receptors.
2. **PT-70 Major Modification.** This permit modification is considered a PT-70 Major Modification due to the decrease in monitoring requirements. Please note that PT-70 Major Modifications require a 45-day EPA review and 30-day public notice. This item is for informational purposes only. No response is required for this item.



May 25, 2023

Santa Barbara County APCD
260 N. San Antonio Rd. Suite A
Santa Barbara, CA 93110

Attn: William Sarraf

Subject: Permit to Operate (PTO) Mod Application for Removal of Ambient Air Monitoring Station Requirement from PTO 8234-R11

Dear Mr. Sarraf,

Please find enclosed the required PTO application documents to modify the Platform Holly air permit to remove requirements for the ambient air monitoring station in the area of Coal Oil Point (West Campus Station). Specifically, we are requesting removal of PTO 8234-R11 conditions 9.C.13 and 9.C.16, and the West Campus Station parameters listed in Table 9.C.14-1.

The basis for this permit modification request is as follows:

- Temporary abandonment of all production wells on Platform Holly has been completed.
- Per Mr. Trey Powell of CalGem, CalGEM accepts “all proper steps have been taken to isolate all oil-bearing or gas-bearing strata encountered in the well[s], and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance and to prevent subsequent damage to life, health, property, and other resources” (Public Resources Code section 3208).
- All Platform Holly production related equipment has been isolated, flushed and placed in out of service (OOS) status (see attached). Remaining hydrocarbon equipment includes diesel storage for crane operations and PUC gas supporting platform flare operations.

- Platform Operations testing has confirmed the absence of hydrogen sulfide in concentrations that could potentially result in atmospheric concentrations of 20 ppm or more.
- Platform Holly will no longer be used for drilling, well-completion, well-workover and/or production operations.

The following is enclosed in this package:

1. Form APCD-01
2. Part 70 forms

Please debit the required filing fee from the Beacon West Ellwood reimbursable account. Feel free to contact me at (805) 395-9676 or john.garnett@beacon-west if you have any questions.

Sincerely,



John Garnett
EHSR Advisor

Enclosures Noted



General Permit Application Form -01

Santa Barbara County Air Pollution Control District
260 N. San Antonio Road, Suite A
Santa Barbara, CA 93110-1315

1. APPLICATION TYPE (check all that apply):

- Authority to Construct (ATC) Transfer of Owner/Operator (use Form -01T)
 Permit to Operate (PTO) Emission Reduction Credits
 ATC Modification Increase in Production Rate or Throughput
 PTO Modification Decrease in Production Rate or Throughput
 Other (Specify)

Previous ATC/PTO Number (if known)

- Yes No Are Title 5 Minor Modification Forms Attached? (this applies to Title 5 sources only and applies to all application types except ATCs and Emission Reduction Credits). Complete Title 5 Form -1302 A1/A2, B, and M. Complete Title 5 Form -1302 C1/C2, D1/D2, E1/E2, F1/F2, G1/G2 as appropriate. <http://www.ourair.org/wp-content/uploads/t5-forms.pdf>

Mail or email the completed application to the APCD's Engineering Division at the address listed above or permits@sbcapcd.org.

2. FILING FEE:

A \$456 application filing fee must be included with each application. The application filing fee is COLA-adjusted every July 1st. Please ensure you are remitting the correct current fee (the current fee schedule is available on the APCD's webpage at: <http://www.ourair.org/district-fees>). This filing fee will not be refunded or applied to any subsequent application. Payment may also be made by credit card by submitting the Credit Card Authorization Form found here <https://www.ourair.org/wp-content/uploads/apcd-01c.pdf> via mail or calling 805-979-8050 to pay via phone.

Do not submit the Credit Card Authorization Form via email.

- 3. IS YOUR PROJECT'S PROPERTY BOUNDARY LOCATED OR PROPOSED TO BE LOCATED WITHIN 1,000 FEET FROM THE OUTER BOUNDARY OF A SCHOOL?** If yes, and the project results in an emissions increase, submit a completed Form -03 (*School Summary Form*) <http://www.ourair.org/wp-content/uploads/apcd-03.pdf> Yes No

If yes, provide the name of school(s)

Address of school(s)

City

Zip Code

- 4. DOES YOUR APPLICATION CONTAIN CONFIDENTIAL INFORMATION?** Yes No

If yes, please submit with a redacted duplicate application which shall be a public document. In order to be protected from disclosure to the public, all information claimed as confidential shall be submitted in accordance with APCD Policy & Procedure 6100-020 (*Handling of Confidential Information*): <http://www.ourair.org/wp-content/uploads/6100-020.pdf>, and meet the criteria of CA Govt Code Sec 6254.7. Failure to follow required procedures for submitting confidential information, or to declare it as confidential at the time of application, shall be deemed a waiver by the applicant of the right to protect such information from public disclosure. *Note: Part 70 permit applications may contain confidential information in accordance with the above procedures, however, the content of the permit documents must be public (no redactions).*

| FOR APCD USE ONLY | | | | DATE STAMP |
|-------------------|----------------|-----------------|-----------------|------------------|
| FID | 3105 | Permit No. | PTO Mod 8234-08 | Rec'vd 6/26/2023 |
| Project Name | Platform Holly | | | |
| Filing Fee | \$456 | 202.E? YES / NO | | |

Billed Beacon West 500000

5. COMPANY/CONTACT INFORMATION:

| | | | |
|-------------------|-----------------------------------|---|-------------------------|
| Owner Info | | <input type="radio"/> Yes <input checked="" type="radio"/> No | Use as Billing Contact? |
| Company Name | California State Lands Commission | | |
| Doing Business As | | | |
| Contact Name | Jennifer Lucchesi | Position/Title | Executive Officer |
| Mailing Address | 100 Howe Ave. Suite 100 | | |
| City | Sacramento | State | CA Zip Code 95825 |
| Telephone | (916) 574-1800 | Cell | |
| | | Email | |

| | | | |
|----------------------|---|---|------------------------------|
| Operator Info | | <input checked="" type="radio"/> Yes <input type="radio"/> No | Use as Billing Contact? |
| Company Name | California State Lands Commission/Beacon West Energy Group, LLC | | |
| Doing Business As | | | |
| Contact Name | John Garnett | Position/Title | EHSR Advisor |
| Mailing Address | 1145 Eugenia Pl. #101 | | |
| City | Carpinteria | State | CA Zip Code 93013 |
| Telephone | (805) 395-9676 | Cell | |
| | | Email | john.garnett@beacon-west.com |

| | | | |
|-------------------------------|--|--|-------------------------|
| Authorized Agent Info* | | <input type="radio"/> Yes <input type="radio"/> No | Use as Billing Contact? |
| Company Name | | | |
| Doing Business As | | | |
| Contact Name | | Position/Title | |
| Mailing Address | | | |
| City | | State | |
| Telephone | | Cell | |
| | | Email | |

*Use this section if the application is not submitted by the owner/operator. Complete APCD Form -01A (<http://www.ourair.org/wp-content/uploads/apcd-01a.pdf>). Owner/Operator information above is still required.

| | |
|--|---|
| SEND PERMITTING CORRESPONDENCE TO (check all that apply): | |
| <input type="checkbox"/> Owner | <input checked="" type="checkbox"/> Operator |
| <input type="checkbox"/> Authorized Agent | <input type="checkbox"/> Other (attach mailing information) |

6. GENERAL NATURE OF BUSINESS OR AGENCY:

oil & gas

7. EQUIPMENT LOCATION (Address):

Specify the street address of the proposed or actual equipment location. If the location does not have a designated address, please specify the location by cross streets, or lease name, UTM coordinates, or township, range, and section.

| | | | |
|-------------------|--|-------|-------------------|
| Equipment Address | air monitoring station in the area of Coal Oil Point | | |
| City | Goleta | State | CA Zip Code 93117 |
| Work Site Phone | (805) 961- | | |

- Incorporated (within city limits)
- Unincorporated (outside city limits)
- Used at Various Locations

Assessors Parcel No(s):

8. PROJECT DESCRIPTION:

(Describe the equipment to be constructed, modified and/or operated or the desired change in the existing permit. Attach a separate page if needed):

remove requirement for ambient air monitoring station from PTO 8234-R11

9. DO YOU REQUIRE A LAND USE PERMIT OR OTHER LEAD AGENCY PERMIT FOR THE PROJECT DESCRIBED IN THIS APPLICATION?: Yes No

A. If yes, please provide the following information

| Agency Name | Permit # | Phone # | Permit Date |
|-------------|----------|---------|-------------|
| | | | |

* The lead agency is the public agency that has the principal discretionary authority to approve a project. The lead agency is responsible for determining whether the project will have a significant effect on the environment and determines what environmental review and environmental document will be necessary. The lead agency will normally be a city or county planning agency or similar, rather than the Air Pollution Control District.

B. If yes, has the lead agency permit application been deemed complete and is a copy of their completeness letter attached?

- Yes
- No

Please note that the APCD will not deem your application complete until the lead agency application is deemed complete.

C. If the lead agency permit application has not been deemed complete, please explain.

D. A copy of the final lead agency permit or other discretionary approval by the lead agency may be requested by the APCD as part of our completeness review process.

10. PROJECT STATUS:

A. Date of Equipment Installation

B. Have you been issued a Notice of Violation (NOV) for not obtaining a permit for this equipment/modification *and/or* have you installed this equipment without the required APCD permit(s)? If yes, the application filing is double per Rule 210. Yes No

C. Is this application being submitted due to the loss of a Rule 202 exemption? Yes No

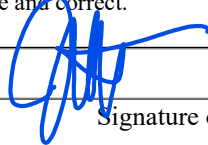
D. Will this project be constructed in multiple phases? If yes, attach a separate description of the nature and extent of each project phase, including the associated timing, equipment and emissions. Yes No

E. Is this application also for a change of owner/operator? If yes, please also include a completed APCD Form -01T. Yes No

11. APPLICANT/PREPARER STATEMENT:

The person who prepares the application also must sign the permit application. The preparer may be an employee of the owner/operator or an authorized agent (contractor/consultant) working on behalf of the owner/operator (an *Authorized Agent Form -01A* is required).

I certify pursuant to H&SC Section 42303.5 that all information contained herein and information submitted with this application is true and correct.

| | |
|---|-----------|
|  | 5/24/2023 |
| Signature of application preparer | Date |

| | |
|------------------------------------|-------------------------------|
| John Garnett | Beacon West Energy Group, LLC |
| Print name of application preparer | Employer name |

12. APPLICATION CHECKLIST (*check all that apply*)

- Application Filing Fee (Fee = \$456. The application filing fee is COLA adjusted every July 1st. Please ensure you are remitting the current fee.) As a convenience to applicants, the APCD will accept credit card payments. If you wish to use this payment option, please complete a *Credit Card Form-01C* <https://www.ourair.org/wp-content/uploads/apcd-01c.pdf> and submit it via mail or call 805-979-8050 to pay over the phone. **Do not submit the Credit Card Form-01C via email.**
- Existing permitted sources may request that the filing fee be deducted from their current reimbursable deposits by checking this box. Please deduct the filing fee from my existing reimbursement account.
- Form -01T (*Transfer of Owner/Operator*) attached if this application also addresses a change in owner and/or operator status from what is listed on the current permit. <http://www.ourair.org/wp-content/uploads/apcd-01t.pdf>
- Form -03 (*School Summary Form*) attached if the project's property boundary is within 1,000 feet of the outer boundary of a school (k-12) and the project results in an emissions increase. <http://www.ourair.org/wp-content/uploads/apcd-03.pdf>
- Information required by the APCD for processing the application as identified in APCD Rule 204 (*Applications*), the APCD's *General APCD Information Requirements List* (<https://www.ourair.org/wp-content/uploads/gen-info.pdf>), and any of the APCD's Process/Equipment Summary Forms (<http://www.ourair.org/permit-applications>) that apply to the project.
- Form -01A (*Authorized Agent Form*) attached if this application was prepared by and/or if correspondence is requested to be sent to an Authorized Agent (e.g., contractor or consultant). This form must accompany each application. <http://www.ourair.org/wp-content/uploads/apcd-01a.pdf>
- Confidential Information submitted according to APCD Policy & Procedure 6100-020. (*Failure to follow Policy and Procedure 6100-020 is a waiver of right to claim information as confidential.*)

13. NOTICE OF CERTIFICATION:

All applicants must complete the following Notice of Certification. This certification must be signed by the Authorized Company Representative representing the owner/operator. Signatures by Authorized Agents will not be accepted.

NOTICE of CERTIFICATION

I, , am employed by or represent
Type or Print Name of Authorized Company Representative

Type or Print Name of Business, Corporation, Company, Individual, or Agency

(hereinafter referred to as the applicant), and certify pursuant to H&SC Section 42303.5 that all information contained herein and information submitted with this application is true and correct and the equipment listed herein complies or can be expected to comply with said rules and regulations when operated in the manner and under the circumstances proposed. If the project fees are required to be funded by the cost reimbursement basis, as the responsible person, I agree that I will pay the Santa Barbara County Air Pollution Control District the actual recorded cost, plus administrative cost, incurred by the APCD in the processing of the application within 30 days of the billing date. If I withdraw my application, I further understand that I shall inform the APCD in writing and I will be charged for all costs incurred through closure of the APCD files on the project.

For applications submitted for Authority to Construct, modifications to existing Authority to Construct, and Authority to Construct/Permit to Operate permits, I hereby certify that all major stationary sources in the state and all stationary sources in the air basin which are owned or operated by the applicant, or by an entity controlling, controlled by, or under common control with the applicant, are in compliance, or are on approved schedule for compliance with all applicable emission limitations and standards under the Clean Air Act (42 USC 7401 *et seq.*) and all applicable emission limitations and standards which are part of the State Implementation Plan approved by the Environmental Protection Agency.

Completed By: Title:

Date: Phone:

Signature of Authorized Company Representative

**PLEASE NOTE THAT FAILURE TO COMPLETELY PROVIDE ALL REQUIRED INFORMATION OR FEES WILL
RESULT IN YOUR APPLICATION BEING RETURNED OR DEEMED INCOMPLETE.**

STATIONARY SOURCE SUMMARY

(Form 1302-A1)

APCD: Santa Barbara County Air Pollution Control District

COMPANY NAME: California State Lands Commission

➤ APCD USE ONLY ◀

APCD IDS Processing ID:

Application #:

Date Application Received:

Application Filing Fee*:

Date Application Deemed Complete:

I. SOURCE IDENTIFICATION

1. Source Name: Platform Holly
2. Four digit SIC Code: 1311 USEPA AIRS Plant ID (for APCD use only):
3. Parent Company (if different than Source Name): California State Lands Commission
4. Mailing Address of Responsible Official: 100 Howe Ave. Suite 100, Sacramento, CA 95825
5. Street Address of Source Location (include Zip Code): 2 miles offshore of Goleta, CA 93117
6. UTM Coordinates (if required) (see instructions):
7. Source located within:

| | | | |
|--------------------------------------|---|--|---|
| 50 miles of the state line | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No | |
| 50 miles of a Native American Nation | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Not Applicable |
8. Type of Organization: Corporation Sole Ownership Government Partnership Utility Company
9. Legal Owner's Name: California State Lands Commission
10. Owner's Agent Name (if any): Title: Telephone #:
11. Responsible Official: Jennifer Lucchesi Title: Executive Officer CSLC Telephone #: (916) 574-1800
12. Plant Site Manager/Contact: Howard Durler Title: Operations Supervisor Telephone #: (805) 961-2374
13. Type of facility: Oil & Gas Production
14. General description of processes/products: Oil & Gas Production
15. Does your facility store, or otherwise handle, greater than threshold quantities of any substance on the Section 112(r) List of Substances and their Thresholds (see Attachment A)? Yes No
16. Is a Federal Risk Management Plan [pursuant to Section 112(r)] required? Not Applicable Yes No
(If yes, attach verification that Risk Management Plan is registered with appropriate agency or description of status of Risk Management Plan submittal.)

* Applications submitted without a filing fee will be returned to the applicant immediately as "improper" submittals

STATIONARY SOURCE SUMMARY (Form 1302-A2)

| | |
|---|---|
| APCD: Santa Barbara County Air Pollution Control District | ➤ APCD USE ONLY ◀ APCD IDS Processing ID: |
| COMPANY NAME: California State Lands Commission | SOURCE NAME: Ellwood Stationary Source |

II. TYPE OF PERMIT ACTION

| | CURRENT PERMIT (permit number) | EXPIRATION (date) |
|--|-----------------------------------|----------------------|
| <input type="checkbox"/> Initial SBCAPCD's Regulation XIII Application | | |
| <input type="checkbox"/> Permit Renewal | | |
| <input type="checkbox"/> Significant Permit Revision* | | |
| <input checked="" type="checkbox"/> Minor Permit Revision* | PTO 8234-R11 | December 2023 |
| <input type="checkbox"/> Administrative Amendment | | |

III. DESCRIPTION OF PERMIT ACTION

1. Does the permit action requested involve:
- a: Portable Source Voluntary Emissions Caps
 Acid Rain Source Alternative Operating Scenarios
 Source Subject to MACT Requirements [Section 112]
- b: None of the options in 1.a. are applicable
2. Is source operating under a Title V Program Compliance Schedule? Yes No
3. For permit modifications, provide a general description of the proposed permit modification:
 Remove air monitoring station requirement from PTO 8234-R11.

* Requires APCD-approved NSR permit prior to a permit revision submittal

TOTAL STATIONARY SOURCE EMISSIONS (Form 1302-B)

| | |
|---|---|
| APCD: Santa Barbara County Air Pollution Control District | > APCD USE ONLY < APCD IDS Processing ID: |
| COMPANY NAME: California State Lands Commission | SOURCE NAME: Ellwood Stationary Source |

I. TOTAL STATIONARY SOURCE EMISSIONS

| POLLUTANT* (name) | POTENTIAL TO EMIT EMISSIONS (tons per year) | PRE-MODIFICATION EMISSIONS (tons per year) | EMISSIONS CHANGE (tons per year) |
|----------------------|---|---|-------------------------------------|
| NOx | 108.36 | 108.36 | 0.00 |
| ROC | 75.71 | 75.71 | 0.00 |
| CO | 104.64 | 104.64 | 0.00 |
| PM | 6.56 | 6.56 | 0.00 |
| PM-10 | 6.45 | 6.45 | 0.00 |
| SOx | 3.57 | 3.57 | 0.00 |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

* Emissions for all pollutants for which the source is major and for all NSPS/MACT-regulated air pollutants must be reported. HAP emissions must be determined, and those exceeding one ton per year from any emission unit category must also be quantified; if less than one ton per year, just list the HAPs emitted by name.

CERTIFICATION STATEMENT (Form 1302-M)

| | |
|---|---|
| APCD: Santa Barbara County Air Pollution Control District | ➤ APCD USE ONLY ◀ APCD IDS PROCESSING ID: |
| COMPANY NAME: California State Lands Commission | SOURCE NAME: Ellwood Stationary Source |

Identify, by checking off below, the forms and attachments that are part of your application. If the application contains forms or attachments that are not identified below, please identify these attachments in the blank space provided below. Review the instructions if you are unsure of the forms and attachments that need to be included in a complete application.

Forms included with application

Stationary Source Summary Form

Total Stationary Source Emission For Compliance Plan Form

Compliance Plan Certification Form

Exempt Equipment Form

Certification Statement Form

List other forms or attachments

- _____

[] check here if additional forms listed on back

Attachments included with application

Description of Operating Scenarios

Sample emission factors

Fugitive emission estimates

List of Applicable requirements

Discussion of units out of compliance with applicable federal requirements and, if required, submit a schedule of Compliance

Facility schematic showing emission points

NSR Permit

PSD Permit

Compliance Assurance monitoring protocols

Risk management verification per 112(r)

I certify under penalty of law, based on information and belief formed after reasonable inquiry, that the information contained in this application, composed of the forms and attachments identified above, are true, accurate, and complete.

I certify that I am the responsible official, as defined in SBCAPCD's Regulation XIII, Rule 1301 or USEPA's 40 CFR Part 70.

DocuSigned by:
Jennifer Lucchesi
6/26/2023

Signature of Responsible Official
Date

Print Name of Responsible Official: Jennifer Lucchesi

Title of Responsible Official and Company Name: Executive Officer, State Lands Commission

**CERTIFICATION STATEMENT
(Form 1302-M continued)**

| | |
|---|--|
| APCD: Santa Barbara County Air Pollution Control District | > APCD USE ONLY < APCD IDS PROCESSING ID: |
| COMPANY NAME: California State Lands Commission | SOURCE NAME: Ellwood Stationary Source |

List Other Forms or Attachments (cont.)

- N/A



September 27, 2023

Santa Barbara County APCD
260 N. San Antonio Rd. Suite A
Santa Barbara, CA 93110

Attn: Agnieszka Letts

Subject: Incomplete Permit to Operate Application 08234 08

Dear Agnieszka,

This letter is in response to your incompleteness letter dated July 25, 2023, and intends to provide additional information regarding the potential to emit from Platform Holly. In our previous discussions with the District, as well as during discussions between the District and California State Lands Commission (CSLC), Beacon West and CSLC have asserted that there is no further potential to emit at Platform Holly from equipment or production sources.

Enclosed with this letter are the following:

1. March 20, 2023 e-mail from Trey Powell, P.E. of CalGEM to CSLC stating that all steps have been taken to isolate the well on Platform Holly, and the negligible residual gas flow from Well 3242-12 is likely seep gas based upon gas analysis.
2. May 26, 2023 letter from Peter Regan of CSLC to David Harris of the District which presents an analysis of the well plug and abandonment process, subsequent verifications that all wells were successfully plugged, and additional information which substantiates that any remaining emissions from Platform Holly are associated with natural seeps.

Please advise if you have any questions or need more information. I can be contacted at (805) 395-9676 or john.garnett@beacon-west.com you have any questions or need more information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Garnett'.

John Garnett
EHSR Advisor

March 20, 2023

Good Morning,

CalGEM has reviewed the presented results showing that all of the Platform Holly wells have no flow or negligible flow. There is a 0.12 MCFD flow of gas from "AMES 3242" 12 which is likely seep gas entering the annulus between the conductor and surface casing at the bottom of the conductor set at 26' below the mud line based on an analysis of the gas.

CalGEM accepts this demonstration that "all proper steps have been taken to isolate all oil-bearing or gas-bearing strata encountered in the well[s], and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance and to prevent subsequent damage to life, health, property, and other resources" (Public Resources Code section 3208).

A copy of this correspondence and the slides will be included in the well files.

Regards,

Trey Powell, P.E.

Senior Oil and Gas Engineer | Northern

**California Department of Conservation
Geologic Energy Management Division**

195 South Broadway, Suite 101, Orcutt, CA 93455

T: (805) 315-5132

E: trey.powell@conservation.ca.gov

**CALIFORNIA STATE LANDS
COMMISSION**

301 E. Ocean Blvd., Suite 550
Long Beach, CA 90802-8833



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

TTY CA Relay Service: 711 or Phone **800.735.2922**
from Voice Phone **800.735.2929**
or for Spanish **800.855.3000**

Contact Phone: 562.590.5201

Contact Fax: 562.432.6035

May 26, 2023

File Ref: PRC 3120, PRC 3242

Mr. David Harris
Santa Barbara County APCD
260 N. San Antonio Rd, Suite A
Santa Barbara, CA 93110-1315

Subject: Holly Odor Monitoring Station

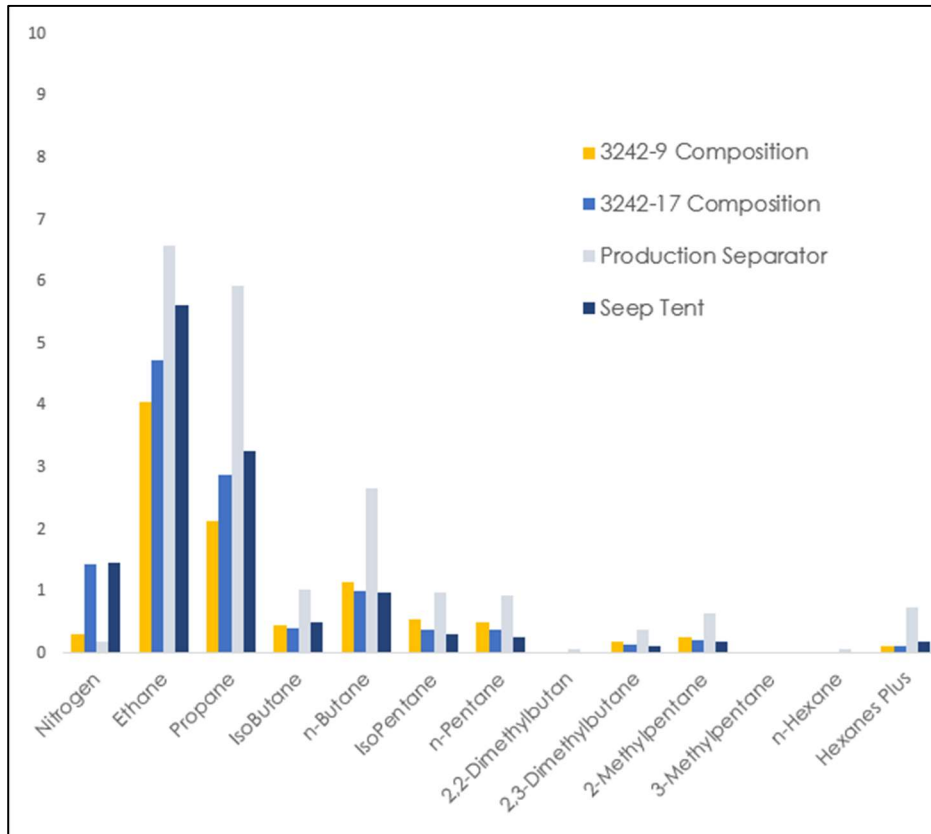
Hi David,

Thanks for meeting with us to discuss the options around the Holly Odor Monitoring station. As you know, the Odor Monitoring station was installed in response to the H2S concerns from the production gas from Platform Holly. With all 30 wells now plugged the risks posed by those wells has been eliminated. The Commission will soon be applying to de-permit the station and the platform's flare as the use and need for those facilities have ended. I have put together a bulleted list of the tests and evidence we put together to show the wells are plugged and isolated, I hope this helps and please let us know if you need any clarification or have other questions.

- The Commission and California Geologic Energy Management Division (CalGEM) have coordinated and consulted on every well abandonment program, and execution, and all parties agree the wells are safely plugged. CalGEM accepts this demonstration that "all proper steps have been taken to isolate all oil-bearing or gas-bearing strata encountered in the well[s], and to protect underground or surface water suitable for irrigation or farm or domestic purposes from the infiltration or addition of any detrimental substance and to prevent subsequent damage to life, health, property, and other resources" (Public Resources Code section 3208)."

- Between October 2021 and February 2023, Platform Holly's 30 wells were plugged by ExxonMobil and its contractor DCOR. The production zones were cemented and isolated in a manner which conforms to or exceeds the regulatory standards.
- The P&A engineering and execution was incredibly complex given the platform's location in one of the most active seep fields on earth and the long reach and depth of certain wells.
- Extensive attention and effort was made to ensure the deep reaching production casing was permanently and safely sealed to prevent any communication of oil or gas from the production formations to surface including pressure testing plugged zones.
- Throughout, the platform has been continually staffed and the wells monitored with regular pressure and H₂S readings being taken. H₂S laden gas is no longer migrating to the surface, which further confirms that the production zones were properly plugged. The wells were tested for H₂S up to 12 times by Beacon West between November 2022 and January 2023 with a further independent Third-party test by Oilfield Environmental and Compliance Inc. for all wells on January 31, 2023. None of those readings showed H₂S levels above safe exposure levels compared to production gas samples of 16000ppm.
- The shallow conductor casings overlay the active seeps in the area creating a situation where small volumes of seep gas can migrate into the conductor casing from below. The conductor casings are monitored for pressure and gas volume; Engineers from four organizations (Commission/CalGEM/DCOR/ExxonMobil) have assessed the issue and have confirmed negligible volumes of seep gas in some conductors and have determined that the gas is not emanating from the deeper casings or the production formation.
- Fingerprinting and analysis of the seep gas, annular gas and historic production gas shows the annular gas to be a much stronger match to the seep samples than gas produced during platform operations. The chart below shows the composition of the gas samples taken from the seep tents, a sample of the gas from the production separator in 2015 and from two of the abandoned platform well annuli (compare "production separator" against the other three categories).

Chemical Composition Comparison of Platform Holly and Natural Seep Gas Chart



- The Commission performed bubble tests on all the wells in February 2023. We used the bubble tests to pinpoint which wells we needed to flow test to obtain further data (tests concluded in March). Based on these results the Commission implemented flowmeters with the greatest resolution for small volumes we could find to test the 21 wells showing bubble activity.
 - 13 of these wells registered 0 cubic feet per hour on the flowmeter.
 - Eight registered on the flowmeter with a rate less than 1 scf/hr.
- Seep gas production from historic seep tent data estimates the seeps produce around 1.09 Cubic Feet of gas per hour (scf/h) which was used as a measure of background seep gas production. The annuli which are producing gas are producing at or below the same rate as the seep tents evidencing that gas as being shallow seep gas entering the annular space between the conductor casing and surface casing

Mr. David Harris

May 25, 2023

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- Commission staff and CalGEM have coordinated and consulted, and all parties agree that the wells are safely plugged.

Given that the Odor Monitoring station was placed in response to the H₂S present in the production gas, and that gas can no longer flow to surface, the Commission will soon be submitting applications to de-permit the odor monitoring station and the platform flare. Commission staff asks that these completed steps to plug the platform's wells and the forthcoming steps to de-permit those facilities be considered good faith efforts towards substantial compliance with the purposes underlying the Platform permit and that, in lieu of repairing the station, the District coordinate with the Commission on decommissioning that facility.

Sincerely,

Peter Regan
Assistant Chief
Mineral Resources Management Division

Mr. David Harris

May 25, 2023

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bcc: Joe Fabel, Legal

Micaela Wiemer, Legal

Jeff Planck

South Ellwood Project Abandonment and Decommissioning

Interagency Update | October 3, 2023

CALIFORNIA STATE LANDS COMMISSION



California State
Lands Commission



South Ellwood Project



- Major Updates
 - Well Annuli Pressure
 - Phase 2 Agreement on October 19 agenda.

Platform Holly



Platform Holly

- All surface plugs set but well casing monitoring continues.
- Monterey Formation and primary production zones isolated.
- Annuli in 6 wells have shown anomalous readings.
 - Negligible volumes, but higher than expected pressures.
 - Gas sampling, bubble testing, flow testing.



Platform Holly

| Well | Annuli Pressure |
|---------|-----------------|
| 3120-7 | 300-350 psi |
| 3120-11 | ~175 psi |
| 3242-5 | ~150 psi |
| 3242-10 | ~150 psi |
| 3242-15 | ~200 psi |
| 3242-17 | ~150 psi |



Platform Holly

- Investigations suggest pressures emanating from Sisqoc zone.
- SLC staff directed Exxon to undertake remediation September 21 and joint technical staff met in person September 28.
- Remediation will delay end of P&A into at least 1Q 2024.



Phase 2 Agreement

- Agreement between SLC and Exxon.
 - Agreed responsibilities and liability for Hardening and Caretaker.
 - Exxon to undertake planning and execution of platform decommissioning, at its expense.
 - Including associated subsea improvements; excepting one of two power cables to platform.
 - On October 19 open session Commission agenda.





THANK YOU

QUESTIONS?

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