

2.0 PROJECT DESCRIPTION

2.1 PROJECT OVERVIEW

Carbon California Company., LLC operates three existing oil and gas production wells and associated facilities on the Agnew lease project site under the authority of CUP 3543. Carbon California Company proposes to continue the oil and gas production operation for an additional 25 years, drill two new oil wells, re-drill one existing well, use Koenigstein Road for access to the project site, and the full-time use of an existing on-site gas flare. With implementation of the proposed project, there would be a total of five oil wells included in the facility.

2.1 PROJECT APPLICANT AND OWNER

Project Applicant. Carbon California Company, 270 Quail Court, Suite B, Santa Paula, CA 93060.

Property Owner. Mirada Petroleum, 989 Terracina Street, Santa Paula, CA 93060.

2.3 PROJECT CHARACTERISTICS

The project applicant requests that a modification of CUP 3543 be granted to authorize the continued operation and maintenance of the existing oil and gas exploration and production operations at the project site for an additional 25-year period. The requested permit modification would also authorize the following project changes:

Proposed New Oil Wells. Two new oils wells would be drilled on the existing two-acre Agnew lease well pad (Figures 2.3-1 and 2.3-2). One new well is proposed to be drilled within five years of the effective date of the requested CUP modification approval. The other well would be drilled within 10 years of the effective date of the requested CUP modification approval. Drilling operations for each well would occur on a 24-hour, 7-day per week basis. It would take approximately 10 days to drill each of the proposed wells.

Re-Drill an Existing Oil Well. One existing oil well located on the existing Agnew lease well pad would be re-drilled within 10 years of the effective date of the requested CUP modification approval. Drilling operations for this well would occur on a 24-hour, 7-day per week basis. It would take approximately 10 days to re-drill the existing well.

Project-Related Truck Traffic. The proposed access route change would authorize large project-related trucks to use Koenigstein Road for access to and from State Route 150 during drilling and production operations at the project site. Access to the project site from Koenigstein Road would continue to be provided by an existing private driveway.

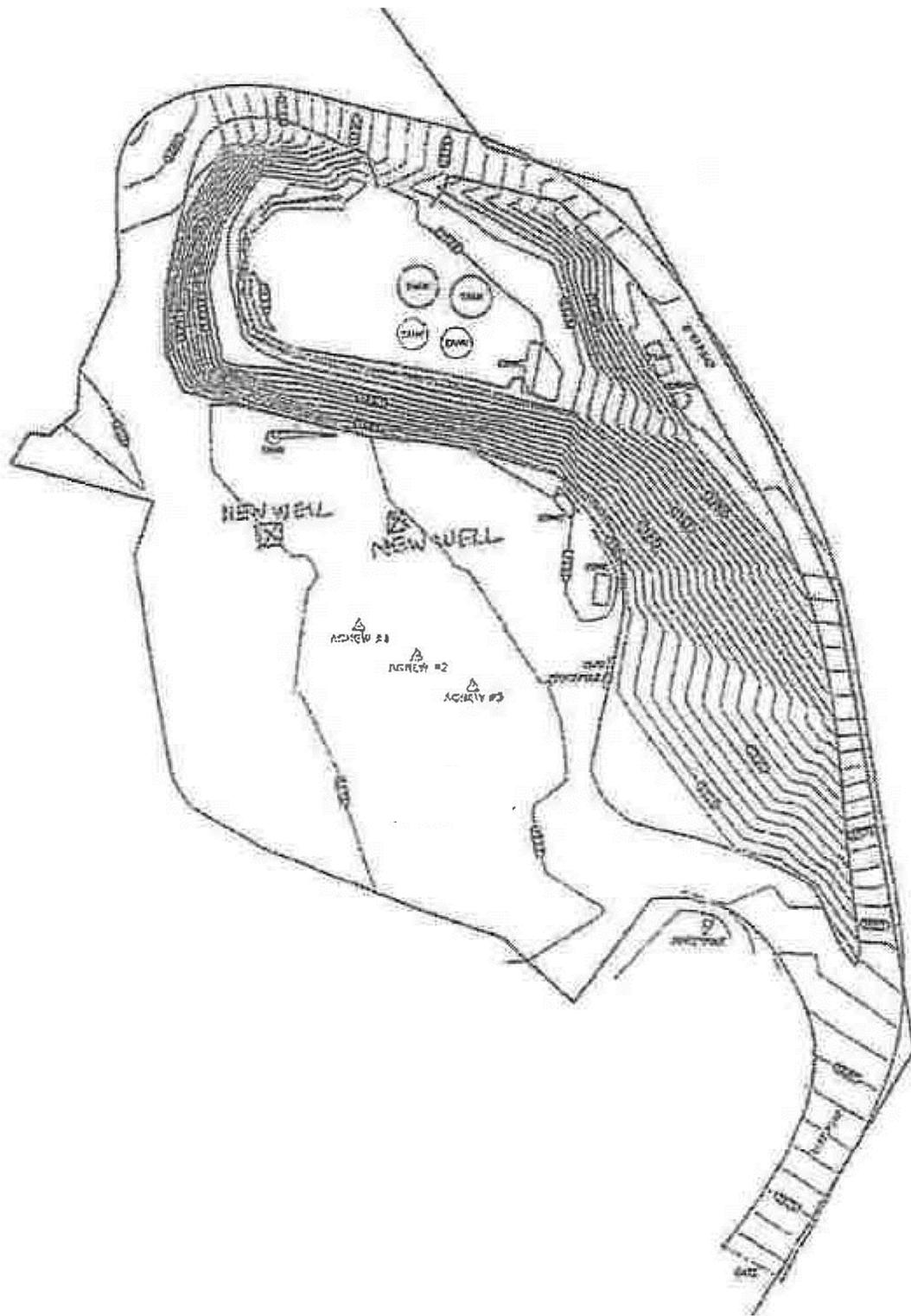


Source: Modified from Ventura County RMA, 2016



One Inch = Approx. 2,000 ft.

● Proposed Oil Well Location



No Scale

Source: Modified from Ventura County RMA, 2016

Continued Use of an Existing Flare. The proposed CUP modification would modify an existing condition of approval that allows the use of a flare for emergency purposes. The proposed condition of approval modification would allow the full-time use of the existing flare.

Proposed Project Operations. Proposed operations at the project site would include trucking of produced oil and wastewater (brine) from the site to off-site oil refining and wastewater disposal facilities. The existing CUP authorizes up to 12 tanker truck loads (24 one-way trips) of produced fluid to be exported from the project site per week. It is proposed that the authorized number of large project-related truck trips be reduced to a maximum of eight (8) tanker truck loads (16 one-way trips) per week. The two proposed new oil wells would be served by the same truck that currently serves the three existing oil wells at the project site. Due to the low volume of fluid produced by the three existing oil wells at the Agnew Lease (the project site), one truck (one trip in and one trip out) per day to remove produced fluids from the site is typically adequate. The same truck that serves the Agnew project site also serves the other oil wells located along Koenigstein Road (i.e., the Nesbitt Lease, ADP Federal, and MP Lane) because those facilities are operated by the proposed project applicant and those wells also produce low fluid volumes. All tanker truck operations would occur during daylight hours Monday through Friday, between 7:30 am and 6:30 pm. For purposes of the requested CUP modification, the term “tanker truck” refers to any vehicle that is hauling produced fluids (including oil, drilling fluids and brine) to or from the site.

The drilling period for each new or re-drilled oil well would occur over a period of approximately 10 days. Drilling operations for each well new or re-drilled well would require approximately 20 workers and 16 trucks that would deliver and remove drilling equipment. Over a two-day period 16 truck trips (8 trucks per day) would bring drilling equipment to the site. Over a separate two-day period 16 trucks (8 trucks per day) would remove drilling equipment from the site. Drilling supplies and drilling equipment would be delivered to and removed from the project site Monday through Friday during daylight hours between the hours of 7:30 a.m. and 6:30 p.m. At times when a drill rig is moved onto or off of the project site, the project operator would implement a traffic control plan. The traffic control plan would be designed to avoid potential traffic-related conflicts at and near the State Route 150/Koenigstein Road intersection. At minimum the traffic control measures would include the use of warning signs and flagmen on State Route 150 and Koenigstein Road in the vicinity of the intersection.

Although the existing CUP does not limit the number of vehicle trips associated with maintenance and operation of production facilities, the project applicant proposes to limit maintenance and operation traffic to 14 maintenance visits per week (i.e. 28 one-way trips). Maintenance-related vehicle trips would typically be by a standard pickup truck.

The proposed CUP modification would revise an existing condition of approval to allow the full-time use of a gas flare located at the project site. The flare was installed and has been used continuously since the existing project site oil wells began operation in 1977. The on-site flare is approximately 19 feet tall and has a maximum width of approximately five feet. A metal shroud encloses the flare burner, which conceals the burner flame. The condition of approval revision is

required because it currently requires that the existing flare only be used in the event of an emergency. Flaring of gas produced at the project site is required because there are no common carrier gas collection pipelines located in the vicinity of the project site. The nearest gas pipeline is located approximately one mile to the west of the project site. To connect to that existing pipeline, the Applicant would have to obtain pipeline easements from the private property owners and install an approximately 250-foot suspension bridge over Sisar Creek.

Other Project-Related Features. The proposed project does not include the removal of any vegetation, and only minimal grading (i.e., less than 50 cubic yards) would be required to construct two new well pads. No new lighting at the project site is proposed. Existing equipment on the project site that would continue to be used by the proposed project includes the following:

- Three oil wells: Agnew 1 (API No. 11120696); Agnew 2 (API No. 1120802); and Agnew 3(API No. 111211930)
- One 500-barrel crude oil storage tank
- One 500-barrel wash tank
- Two 250 barrel produced water tanks
- One oil loading facility
- A flare to incinerate produced gas.
- Lighting and electrical equipment
- Local pipelines

Hydraulic fracturing, acid well stimulation and other “well stimulation treatments”, as defined in Public Resources Code Section 3157, are not included in the proposed project. The use of any such well stimulation treatment as part of the project would require a subsequent discretionary modification of the CUP, additional environmental review under CEQA, and a public hearing.

2.4 PROJECT OBJECTIVES

It is the objective of the proposed project to increase oil and gas production from the existing facility.

2.5 REQUIRED APPROVALS

Achieving the project objectives requires the granting of a modified CUP by the County of Ventura. Should a CUP be granted, ministerial permits must be obtained from the Ventura County Air Pollution Control District and the California Division of Oil and Gas and Geothermal Resources.

