RESOURCE MANAGEMENT AGENCY

county of ventura

Planning Division
Kimberly L. Prillhart
Director

April 24, 2013

Mr. Scott Price
Mirada Petroleum
15500 West Telegraph Road, Unit D32
Santa Paula, California, 93060

Subject: **Planning Director Decision Regarding Minor Modification of Conditional Use Permit (CUP) No. 3319, Case No. LU11-0041:** Approximately two miles northwest of Saint Thomas Aquinas College, and one and one-half miles north of Highway 150, Santa Paula Assessor's Parcel Numbers 040-0-010-345, 040-0-010-355, and 040-0-010-225

Dear Mr. Price:

By the authority granted to me by the Ventura County Administrative Supplement to the California Environmental Quality Act (CEQA) Guidelines (2010, Chapters 3 and 8), Ventura County Non-Coastal Zoning Ordinance (NCZO) 2011, § 8111-1.2 et seq, and based on the information provided in the staff report, the April 24, 2013 Revised Addendum to the MND, and at the March 21, 2013, public hearing on this matter, I hereby:

1. **CERTIFY** that I have reviewed and considered the staff report (Exhibit 1 of the Planning Director Hearing on March 21, 2013) and all exhibits thereto, and have considered all comments received during the public comment process;

2. **FIND**, based on the whole of the record before me, that there is no substantial evidence that the project will have a significant effect on the environment and that the Mitigated Negative Declaration as augmented with the April 24, 2013 Revised Addendum reflects my independent judgment and analysis;

3. **ADOPT** the Mitigated Negative Declaration as augmented with the Revised Addendum as adequate environmental review of the project.

4. **MAKE** the required findings for the granting of a modified conditional use permit based on the substantial evidence presented in Section E of the staff report (Exhibit 1) and the entire record;

5. **GRANT** modified Conditional Use Permit LU11-0041, subject to the attached conditions of approval.

6. **SPECIFY** that the Clerk of the Planning Division is the custodian, and 800 S. Victoria Avenue, Ventura, CA 93009 is the location, of the documents and materials that constitute the record of proceedings upon which this decision is based.

As stated in NCZO § 8111-7.3, by May 6, 2013 (i.e., within 10 calendar days of the conditional approval of the Minor Modification of Conditional Use Permit (CUP) 3319 (Case No. LU11-0041), after accounting for holidays and weekends), any aggrieved person may file an appeal of this decision with the Planning Division who shall set a hearing date before the Planning Commission to review the matter.

The effective date of this decision is May 6, 2013, unless an appeal is filed within the specified appeal period.

Pursuant to CEQA Guidelines [§ 15164(c)], the addendum to the Mitigated Negative Declaration (MND) does not need to be circulated for public review, and shall be included in, or attached to, the adopted MND. Therefore, no further action is necessary to finalize processing of the environmental document.

Upon satisfying the "prior to Zoning Clearance" conditions, you may obtain a Zoning Clearance from the Planning Division and apply for a Building Permit with the Resource Management Agency, Building and Safety Division. Approval of the Minor Modification of CUP Permit does not constitute approval of a Building Permit; you must submit a separate application for a Building Permit with the Building and Safety Division, following the issuance of the Zoning Clearance.

If you have any questions about the information presented above, please contact Jay Dobrowalski, the case planner, at (805) 654-2498 or jay.dobrowalski@ventura.org.

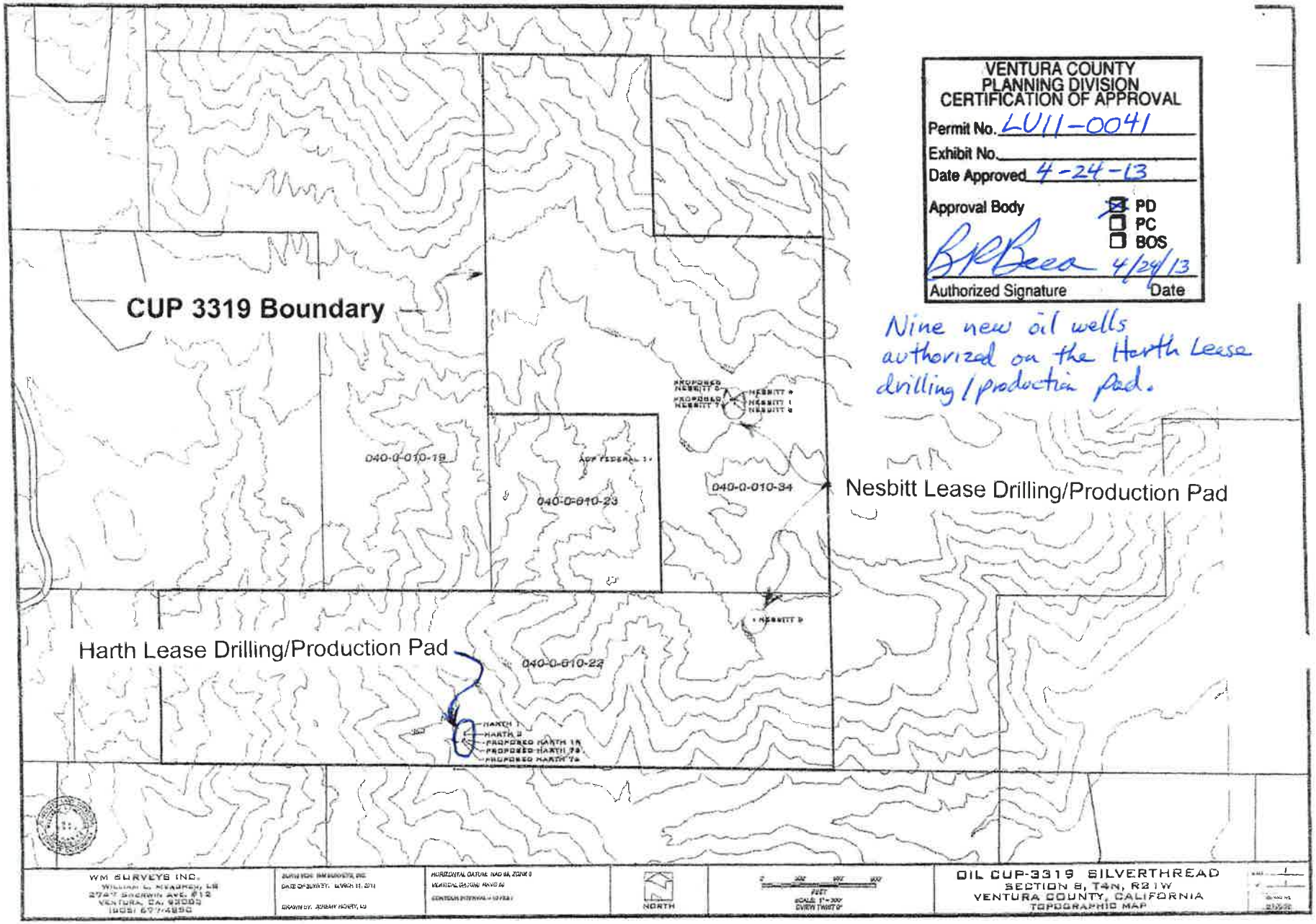
Sincerely,

Brian R Baca

Brian R. Baca, Manager
Commercial and Industrial Permits Section
Ventura County Planning Division

Encl.: Approved Plans
Final Environmental Document (MND and 4-24-13 Addendum)
Final Conditions of Approval

c: Ms. Kate Neiswender, Post Office Box 24617, Ventura, California, 93002
Resource Management Agency, Environmental Health Division - Melinda Talent
Ventura County Fire Protection District - Marnel VandenBossche or John Dodd
Ventura County Air Pollution Control District - Alicia Stratton
Case File



Site Plan for CUP 3319 permit area

CONDITIONS OF APPROVAL FOR
CONDITIONAL USE PERMIT (CUP) NO. LU11-0041

RESOURCE MANAGEMENT AGENCY (RMA) CONDITIONS

I. Planning Division Conditions

1. Project Description

The requested modified CUP would authorize oil and gas exploration and production in accordance with Section 8105-4 of the *Ventura County Non-Coastal Zoning Ordinance*. Specifically, the requested CUP would allow:

a. The testing, drilling, production, reworking and maintenance (excluding hydraulic fracturing) of nine proposed oil and gas wells and two existing wells (a total of 11 wells) on the Harth drilling pad. Currently, CUP 3319 authorizes six wells. The location of the wells is shown on Attachment F of the MND Addendum and Planning Director hearing Exhibit 3;
b. The abandonment of all oil and gas facilities located on the Nesbitt Lease and those facilities located on the easternmost drill pad on the Harth Lease that are accessed from Koenigstein Road.
c. Separation of natural gas and produced water from crude oil
d. Processing operations required for on-site injection well purposes
e. The off-site storage and transportation of produced gas and crude oil products from the site, and,
f. Operation of existing equipment associated with the storage, processing, and transporting of oil, gas, and water, as shown on Attachment F of the Addendum to the MND and Exhibit 3 in the hearing exhibits.

The proposed project does not include any new grading or removal of vegetation. All proposed wells will be drilled on the existing Harth lease pad that does not require access from Koenigstein Road. Transport of oil produced at this site will involve no more than two round-trip truck trips per day, Monday through Saturday. The proposed project does not include any new facilities or equipment

The existing equipment on the Harth Lease pad includes the following:

- Two oil wells (Harth 1, Harth 2)
- Two gas traps
- One 250 barrel wash tank
- One 105 barrel wastewater tank
- One 1,000-barrel oil tank

- One vapor recovery flare
- One heater treater unit (idle)
- Two 500-1,000 barrel tanks (unusable)

Note that the two unused tanks do not contain any fluid and are not usable in their current condition.

The current equipment on the Nesbitt Lease includes:

- Four oil wells (Nesbitt 1, 2, 4 and 5)
- Three gas traps
- One 250 barrel wastewater tank
- One 250 barrel oil tank
- One 391 barrel wash tank

The equipment on the Nesbitt Lease will be removed as part of the abandonment of the drill sites and wells.

The oil facilities authorized by CUP 3319 currently receive and store oil production from a well (ADP Federal 1) that is located outside of the CUP boundary. The ADP Federal 1 well is located on federal land in the Los Padres National Forest and is not subject to a County of Ventura permit (VCNCZO § 8107-5.2). The produced oil from the ADP Federal 1 well will no longer be collected and stored in facilities located on the Nesbitt Lease (see Attachment F and Planning Director Hearing Exhibit 3).

Hydraulic fracturing well completion techniques will not be employed in the proposed nine new wells.

2. Site Maintenance

Purpose: To ensure that the CUP area is maintained in a neat and orderly manner so as not to create any hazardous conditions or unsightly conditions which are visible from outside the CUP area.

Requirement: The Permittee shall maintain the project site in compliance with the described uses outlined in Condition No. 1 (Permitted Land Uses). Only equipment and/or materials which the Planning Director determines to substantially comply with Condition No. 1 (Permitted Land Uses), or which are authorized by any subsequent amendments to this CUP, shall be stored on the property during the life of this CUP.

Documentation: Pursuant to Condition No. 1 (Permitted Land Uses), the CUP and any amendments thereto.

Timing: Prior to occupancy and for the life of the permit.

Monitoring and Reporting: The County Building Inspector, Public Works Grading Inspector, Fire Marshall, and/or Planning Division staff has the authority to conduct periodic site inspections to ensure the Permittee's ongoing compliance with this condition consistent with the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

3. CUP Modification

Prior to the redrilling of an existing well or undertaking any operational or construction-related activity which is not expressly described in these conditions or Project Description, the Permittee shall first contact the Planning Director to determine if the proposed activity requires a modification of this CUP. The Planning Director may, at the Planning Director's sole discretion, require the Permittee to file a written and/or mapped description of the proposed activity in order to determine if a CUP modification is required. If a CUP modification is required, the modification shall be subject to:

a. The modification approval standards of the Ventura County Ordinance Code in effect at the time the modification application is acted on by the Planning Director; and,
b. Environmental review, as required pursuant to the California Environmental Quality Act (CEQA; California Public Resources Code, §21000-21178) and the State CEQA Guidelines (California Code of Regulations, Title 14, Chapter 3, §15000-15387), as amended from time to time.

4. Construction Activities

Prior to any construction, the Permittee shall obtain a Zoning Clearance for construction from the Planning Division, and a Building Permit from the Building and Safety Division. Prior to any grading, the Permittee shall obtain a Grading Permit from the Public Works Agency.

5. Acceptance of Conditions and Schedule of Enforcement Responses

The Permittee's acceptance of this CUP and/or commencement of construction and/or operations under this CUP shall constitute the Permittee's formal agreement to comply with all conditions of this CUP. Failure to abide by and comply with any condition for the granting of this CUP shall constitute grounds for enforcement action provided in the *Ventura County Non-Coastal Zoning Ordinance* (2010, Article 14), which shall include, but is not limited to, the following:

a. Public reporting of violations to the Planning Commission and/or Board of Supervisors;
b. Suspension of the permitted land uses (Condition No. 1);
c. Modification of the CUP conditions listed herein;
d. Recordation of a "Notice of Noncompliance" on the deed to the subject property;
e. The imposition of civil administrative penalties; and/or
f. Revocation of this CUP.

The Permittee is responsible for being aware of and complying with the CUP conditions and all applicable federal, state and local laws and regulations.

6. Time Limits
    a. Use inauguration:
        i. The approval decision for this CUP becomes effective upon the expiration of the 10 day appeal period following the approval decision, or when any appeals of the decision are finally resolved. Once the approval decision becomes effective, the Permittee must obtain a Zoning Clearance for use inauguration in order to initiate the land uses provided in Condition No. 1 (Project Description).
        ii. This CUP shall expire and become null and void if the Permittee fails to obtain a Zoning Clearance for use inauguration within one year (*Ventura County Non-Coastal Zoning Ordinance 2005, § 8111-4.7)* from the granting or approval of this CUP. The Planning Director may grant a one year extension of time to the Permittee in order to obtain the Zoning Clearance for use inauguration if the Permittee can demonstrate to the satisfaction of the Planning Director that the Permittee has made a diligent effort to inaugurate the permitted land use, and the Permittee has requested the time extension in writing at least 30 days prior to the one year expiration date.
        iii. Prior to the issuance of the Zoning Clearance for use inauguration, all fees and charges billed to that date by any County agency, as well as any fines, penalties, and sureties, must be paid in full. After issuance of the Zoning Clearance for use inauguration, any final billed processing fees must be paid within 30 days of the billing date or the County may revoke this CUP.
    b. Permit Life or Operations Period:
    This CUP will expire on April 24, 2038. The lack of additional notification of the expiration date provided by the County to the Permittee shall not constitute grounds to continue the uses that are authorized by this CUP after the CUP expiration date. The uses authorized by this CUP may continue after the CUP expiration date if:
        1. The Permittee has filed a permit modification application pursuant to Section 8111-6 of the Ventura County Non-Coastal Zoning Ordinance prior to April 24, 2038; and
        2. The County decision-maker grants the requested modification.

The uses authorized by this CUP may continue during processing of a timely-filed modification application in accordance with Section 8111-2.10 of the Ventura County Non-Coastal Zoning Ordinance.

7. Consolidation of All Approved Exhibits and Permits

Purpose: To ensure compliance with and notification of requirements of other federal, state or local government regulatory agencies.

Requirement: The Permittee shall provide the Planning Division with documentation to verify that the Permittee has obtained or satisfied all applicable federal, state and local entitlements and conditions.

Documentation: The Permittee shall provide this documentation to the County Planning Division in the form that is acceptable to the agency issuing the entitlement or clearance for the project file.

Timing: The documentation shall be submitted to the Planning Division prior to the issuance of the Zoning Clearance for use inauguration or as dictated by the respective agency.

Monitoring and Reporting: The Planning Division maintains the documentation provided by the Permittee in the respective project file. In the event that the permit is modified or changes are made by any other respective agency, the Permittee shall submit any revised documentation within 30 days of the modification.

8. Notice of CUP Requirements and Retention of CUP Conditions On-Site

Purpose: To ensure full and proper notice of permit requirements and conditions affecting the use of the subject property.

Requirement: Unless otherwise required by the Planning Director, the Permittee shall notify, in writing, the Property Owner(s) of record, contractors, and all other parties and vendors regularly dealing with the daily operation of the proposed activities, of the pertinent conditions of this CUP.

Documentation: The Permittee shall present to the Planning Division copies of the conditions, upon the Planning Division's request.

Timing: Prior to issuance of a Zoning Clearance for use inauguration and until expiration of the CUP.

Monitoring and Reporting: The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition consistent with the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

9. Recorded Notice of Land Use Entitlement

Purpose: In order to comply with § 8111-8.3 of the *Ventura County Non-Coastal Zoning Ordinance* a notice shall be recorded on the deed of the subject property that describes the responsibilities of the Property Owner and Permittee for compliance with applicable permit conditions and regulations.

Requirement: The Permittee and Property Owner of record shall sign, have notarized, and record with the Office of the County Recorder, a Notice of Land Use Entitlement form furnished by the Planning Division, for tax assessor's parcel that is subject to this CUP.

Documentation: Recorded Notice of Land Use Entitlement.

Timing: Prior to the issuance of a Zoning Clearance for use inauguration.

Monitoring and Reporting: The Permittee shall return a copy of the recorded Notice of Land Use Entitlement to the Planning Division for the project file.

10. Condition Compliance, Enforcement, and Other Responsibilities
    a. Cost Responsibilities: The Permittee shall bear the full costs of all staff time, material costs, or consultant costs associated with the approval of studies, generation of studies or reports, on-going permit compliance, and monitoring programs as described below in Condition 12b. Specifically, the Permittee shall bear the full costs of the following:
        i. condition compliance costs which include, but are not limited to, staff time, material costs, or consultant costs associated with the approval of studies, generation of studies or reports, ongoing permit condition compliance review, and CEQA Mitigation Monitoring/other monitoring programs; and,
        ii. monitoring and enforcement costs required by the *Ventura County Non-Coastal Zoning Ordinance (2010, §8114-3)*. The Permittee, or the Permittee's successors-in-interest, shall bear the full costs incurred by the County or its contractors for inspection and monitoring, and for enforcement activities related to the resolution of confirmed violations. Enforcement activities shall be in response to confirmed violations and may include such measures as inspections, public reports, penalty hearings, forfeiture of securities, and suspension of this CUP. Costs will be billed at the contract rates in effect at the time enforcement actions are required. The Permittee shall be billed for said costs and penalties pursuant to the *Ventura County Non-Coastal Zoning Ordinance (§8114-3.4)*.
    b. Establishment of Revolving Compliance Accounts: Within 10 calendar days of the effective date of the decision on this CUP, the Permittee, or the Permittee's successors-in-interest, shall submit the following deposit and reimbursement agreement to the Planning Director:
        i. a payment of $500.00 for deposit into a revolving condition compliance and enforcement account to be used by the Planning Division to cover costs incurred for Condition Compliance review (Condition 12a, above), monitoring and enforcement (Condition 12c, below) may be modified to a higher amount by mutual agreement between the Permittee and the Planning Director; and,
        ii. a signed and fully executed County RMA reimbursement agreement, which is subject to the Permittee's right to challenge any charges obligating the Permittee to pay all Condition Compliance review, monitoring, and enforcement costs.
    c. Monitoring and Enforcement Costs: The $500.00 [see Condition 12b, above] deposit and reimbursement agreement are required to ensure that funds are available for legitimate and anticipated costs incurred for Condition Compliance. All permits issued by the Planning Division may be

reviewed and the sites inspected no less than once every three years, unless the terms of the permit require more frequent inspections. These funds shall cover costs for any regular compliance inspections or the resolution of confirmed violations of the conditions of this CUP and/or the *Ventura County Non-Coastal Zoning Ordinance* that may occur.

d. Billing Process: The Permittee shall pay any written invoices from the Planning Division within 30 days of receipt of the request. Failure to pay the invoice shall be grounds for suspension, modification, or revocation of this CUP. The Permittee shall have the right to challenge any charge prior to payment.

11. Defense and Indemnity

As a condition of CUP issuance and use including adjustment, modification, or renewal thereof, the Permittee agrees to:

a. Defend, at the Permittee's sole expense, any action brought against the County by a third party challenging either the County's decision to issue this CUP or the manner in which the County is interpreting or enforcing the conditions of this CUP; and

b. Indemnify the County against any settlements, awards, or judgments, including attorney's fees, arising out of, or resulting from, any such legal action. Upon written demand from the County, the Permittee shall reimburse the County for any and all court costs and/or attorney's fees which the County may be required by a court to pay as a result of any such legal action the Permittee defended or controlled the defense thereof pursuant to Section 13(a) above. The County may, at its sole discretion, participate in the defense of any such legal action, but such participation shall not relieve the Permittee of the Permittee's obligations under this condition.

Neither the issuance of this CUP, nor compliance with the conditions thereof, shall relieve the Permittee from any responsibility otherwise imposed by law for damage to persons or property; nor shall the issuance of this CUP serve to impose any liability upon the County of Ventura, its officers, or employees for injury or damage to persons or property.

Except with respect to the County's sole negligence or intentional misconduct, the Permittee shall indemnify, defend, and hold harmless the County, its officers, agents, and employees from any and all claims, demands, costs, and expenses, including attorney's fees, judgments, or liabilities arising out of the construction, maintenance, or operations described in Condition No. 1 (Permitted Land Uses), as it may be subsequently modified pursuant to the conditions of this CUP.

12. Invalidation of Condition(s)

If any of the conditions or limitations of this CUP are held to be invalid, that holding shall not invalidate any of the remaining CUP conditions or limitations. In the event the Planning Director determines that any condition contained herein is in conflict with any

other condition contained herein, then where principles of law do not provide to the contrary, the conditions most protective of public health and safety and natural environmental resources shall prevail to the extent feasible.

In the event that any condition imposing a fee, exaction, dedication, or other mitigation measure is challenged by the Permittee an action filed in a court of law, or threatened to be filed therein, which action is brought in the time period provided for by the *Code of Civil Procedures (§1094.6)*, or other applicable law, this CUP shall be allowed to continue in force until the expiration of the limitation period applicable to such action, or until final resolution of such action, provided the Permittee has, in the interim, fully complied with the fee, exaction, dedication, or other mitigation measure being challenged.

If a court of law invalidates any condition, and the invalidation would change the findings and/or the mitigation measures associated with the approval of this CUP, at the discretion of the Planning Director, the Planning Commission may review the project and impose substitute feasible conditions/mitigation measures to adequately address the subject matter of the invalidated condition. The Planning Commission shall make the determination of adequacy. If the Planning Commission cannot identify substitute feasible conditions/mitigation measures to replace the invalidated condition, and cannot identify overriding considerations for the significant impacts that are not mitigated to a level of insignificance as a result of the invalidation of the condition, then this CUP may be revoked.

13. Consultant Review of Information and Consultant Work
The County and all other County permitting agencies for this land use have the option of referring any and all special studies that these conditions require to an independent and qualified consultant for review and evaluation of issues beyond the expertise or manpower of County staff.

Prior to the County engaging any independent consultants or contractors pursuant to the conditions of this CUP, the County shall confer in writing with the Permittee regarding the necessary work to be contracted, as well as the costs of such work. Whenever feasible, the County will use the lowest bidder. Any decisions made by County staff in reliance on consultant or contractor work may be appealed pursuant to the appeal procedures contained in the Ventura County Zoning Ordinance Code then in effect.

The Permittee may hire private consultants to conduct work required by the County, but only if the consultant and the consultant's proposed scope-of-work are first reviewed and approved by the County. The County retains the right to hire its own consultants to evaluate any work that the Permittee or a contractor of the Permittee undertakes. In accordance with Condition No. 12 above, if the County hires a consultant to review any work undertaken by the Permittee, or hires a consultant to review the work undertaken by a contractor of the Permittee, the hiring of the consultant will be at the Permittee's expense.

14. Relationship of CUP Conditions, Laws and Other Permits

The Permittee shall design, maintain, and operate the CUP area and any facilities thereon in compliance with all applicable requirements and enactments of Federal, State, and County authorities. In the event of conflict between various requirements, the more restrictive requirements shall apply. In the event the Planning Director determines that any CUP condition contained herein is in conflict with any other CUP condition contained herein, when principles of law do not provide to the contrary, the CUP condition most protective of public health and safety and environmental resources shall prevail to the extent feasible.

No condition of this CUP for uses allowed by the Ventura County Ordinance Code shall be interpreted as permitting or requiring any violation of law, lawful rules or regulations, or orders of an authorized governmental agency. Neither the issuance of this CUP, nor compliance with the conditions of this CUP, shall relieve the Permittee from any responsibility otherwise imposed by law for damage to persons or property.

A business tax certificate and regulatory licenses shall be obtained for operation of oil and gas production facilities.

15. Contact Person

Purpose: To designate a person responsible for responding to complaints.

Requirement: The Permittee shall designate a contact person(s) to respond to complaints from citizens and the County which are related to the permitted uses of this CUP. The designated contact person shall be available, via telecommunication, 24 hours a day.

Documentation: The Permittee shall provide the Planning Director with the contact information (e.g., name and/or position title, address, business and cell phone numbers, and email addresses) of the Permittee's field agent who receives all orders, notices, and communications regarding matters of condition and code compliance at the CUP site.

Timing: Prior to the issuance of a Zoning Clearance for use inauguration, the Permittee shall provide the Planning Division the contact information of the Permittee's field agent(s) for the project file. If the address or phone number of the Permittee's field agent(s) should change, or the responsibility is assigned to another person, the Permittee shall provide the Planning Division with the new information in writing within three calendar days of the change in the Permittee's field agent.

Monitoring and Reporting: The Planning Division maintains the contact information provided by the Permittee in the respective project file. The Planning Division has the authority to periodically confirm the contact information consistent with the requirements of *§ 8114-3 of the Ventura County Non-Coastal Zoning Ordinance*.

16. Resolution of Complaints

The following process shall be used to resolve complaints related to the project:

a. The Permittee shall post the telephone number for the designated Contact Person as identified pursuant to Condition No. 16 in a visible location on the site. The Contact Person shall be available via telephone on a 24-hour basis. Persons with concerns about a use as it is occurring may directly contact the Contact Person;
b. If a written complaint about this PD is received by the County, Planning staff will contact the Permittee's Contact Person or the Permittee to request information regarding the alleged violation; and,
c. If, following a complaint investigation by County staff, a violation of Ventura County Code or a condition of this permit is confirmed, County enforcement actions pursuant to *§ 8114-3 of the Non-Coastal Zoning Ordinance* may be initiated.

17. Reporting of Major Incidents

Purpose: To ensure that the Planning Director is notified of major incidents within the CUP area.

Requirement: The Permittee shall immediately notify the Planning Director by telephone, email, FAX, and/or voicemail of any incidents (e.g., fires, explosions, spills, landslides, or slope failures) that could pose a hazard to life or property inside or outside the CUP area.

Documentation: Upon request of any County agency, the Permittee shall provide a written report of any incident that shall include, but is not limited to: a description of the facts of the incident; the corrective measures used, if any; and, the steps taken to prevent a recurrence of the incident.

Timing: The Permittee shall provide the written report to the requesting County agency and Planning Division within seven days of the request.

Monitoring and Reporting: The Planning Division maintains any documentation provided by the Permittee related to major incidents in the CUP file.

18. Change of Owner and/or Permittee

Purpose: To ensure that the Planning Division is properly and promptly notified of any change of ownership or change of Permittee affecting the CUP site.

Requirement: The Permittee shall file, as an initial notice with the Planning Director, the new name(s), address(es), telephone/FAX number(s), and email addresses of the new owner(s), lessee(s), operator(s) of the permitted uses, and the company officer(s). Permittee shall provide the Planning Director with a final notice once the transfer of ownership and/or operational control has occurred.

Documentation: The initial notice must be submitted with new Property Owner's and/or Permittee's contact information. The final notice of transfer must include the effective date and time of the transfer and a letter signed by the new Property Owner(s), lessee(s), and/or operator(s) of the permitted uses acknowledging and agreeing to comply with all conditions of this CUP.

Timing: The Permittee shall provide written notice to the Planning Director 10 calendar days prior to the change of ownership or change of Permittee. The Permittee shall provide the final notice to the Planning Director within 15 calendar days of the effective date of the transfer.

Monitoring and Reporting: The Planning Division maintains notices submitted by the Permittee in the project file and has the authority to periodically confirm the information consistent with the requirements of *§ 8114-3 of the Ventura County Non-Coastal Zoning Ordinance*.

19. Paleontological Resources Inadvertently Discovered During Grading

Purpose: In order to mitigate potential impacts to paleontological resources that may be encountered during ground disturbance or construction activities.

Requirement: If any paleontological remains are uncovered during ground disturbance or construction activities, the Permittee shall:

a. Cease operations and assure the preservation of the area in which the discovery was made;
b. Notify the Planning Director in writing, within three days of the discovery;
c. Obtain the services of a paleontological consultant or professional geologist who shall assess the find and provide recommendations on the proper disposition of the site;
d. Obtain the Planning Director's written concurrence of the recommended disposition before resuming development; and,
e. Implement the agreed upon recommendations.

Documentation: Permittee shall submit the reports prepared by the paleontologist or geologist. Additional documentation may be required to demonstrate that the Permittee has implemented any recommendations made by in the paleontological report.

Timing: Paleontological reports shall be provided to the Planning Division immediately upon completion.

Monitoring and Reporting: The Permittee shall provide any paleontological report prepared for the project site to the Planning Division to be made part of the project file. The Permittee shall implement any recommendations made in the paleontological report to the satisfaction of the Planning Director.

20. Archaeological Resources Inadvertently Discovered During Grading

Purpose: In order to mitigate potential impacts to archaeological resources inadvertently discovered during ground disturbance.

Requirement: The Permittee shall implement the following procedures:

a. If any archaeological or historical artifacts are uncovered during ground disturbance or construction activities, the Permittee shall:
   i. Cease operations and assure the preservation of the area in which the discovery was made;
   ii. Notify the Planning Director in writing, within three days of the discovery;
   iii. Obtain the services of a County-approved archaeologist who shall assess the find and provide recommendations on the proper disposition of the site in a written report format; and,
   iv. Obtain the Planning Director's written concurrence of the recommended disposition before resuming development.
b. If any human burial remains are encountered during ground disturbance or construction activities, the Permittee shall:
   i. Cease operations and assure the preservation of the area in which the discovery was made;
   ii. Immediately notify the County Coroner and the Planning Director;
   iii. Obtain the services of a County-approved archaeologist and, if necessary, Native American Monitor(s), who shall assess the find and provide recommendations on the proper disposition of the site in a written report format; and,
   iv. Obtain the Planning Director's written concurrence of the recommended disposition before resuming development on-site.

Documentation: If archaeological remains are encountered, the Permittee shall submit a report prepared by a County-approved archaeologist including recommendations for the proper disposition of the site. Additional documentation may be required to demonstrate that the Permittee has implemented any recommendations made by the archaeologists report.

Timing: Archaeologist reports shall be provided to the Planning Division immediately upon completion.

Monitoring and Reporting: The Permittee shall provide any archaeologist report prepared for the project site to the Planning to be made a part of the project file. The Permittee shall implement any recommendations made in the archaeologist's report to the satisfaction of the Planning Director.

21. Financial Security

Purpose: In order to comply with § 8107-5.6.5 of the *Ventura County Non-Coastal Zoning Ordinance* and to ensure the conditions of this permit are fulfilled.

Requirement: The Permittee shall file, in a form acceptable to Operations Division of the Resource Management Agency, a bond or other security in the penal amount of not less than $10,000.00 for each well that is drilled or to be drilled. In lieu of filing such a security for each well the Permittee may file a security in the penal amount of not less than $10,000.00 to cover all operations conducted in the County of Ventura, conditioned upon the Permittee well and truly obeying, fulfilling and performing each and every term and provision of the permit. By accepting this Conditional Use Permit and providing the financial security for its operation, the Permittee is agreeing to cure any condition noncompliance issue that may be discovered during County compliance review. Forfeiture of the financial security may occur if the noncompliance issue is not resolved in a manner that is acceptable to the Planning Director.

Documentation: A receipt or memorandum prepared by the Operations Division shall serve as evidence that the security has been submitted and accepted.

Timing: The Permittee shall provide evidence to the Planning Division that the security has been accepted by the Operations Division prior to commencing or continuing drilling or other uses associated with this permit.

Monitoring and Reporting: The Planning Division maintains evidence of the financial security submittal in the project file. In cases of any failure by the Permittee to perform or comply with any term or provision of the permit, the Planning Commission may, after notice to the Permittee and a public hearing, by resolution, determine the amount of the penalty and declare all or part of the security forfeited in accordance with its provisions. The sureties and principal will be jointly and severally obligated to pay forthwith the full amount of the forfeiture to the County of Ventura. The forfeiture of any security shall not insulate the Permittee from liability in excess of the sum of the security for damages or injury, or for expense or liability suffered by the County of Ventura from any breach by the Permittee of any term or condition of said permit or of any applicable ordinance or of this security. The Planning Division shall not exonerate the security until the Permittee has satisfied all of the applicable conditions of this Conditional Use Permit.

22. Removal of Drilling Equipment

Purpose: In order to comply with § 8107-5.6.3 of the *Ventura County Non-Coastal Zoning Ordinance* and to ensure the removal of unused equipment.

Requirement: All equipment used for drilling, re-drilling, and maintenance work on approved wells shall be removed from the site within 30 days of the completion of such work.

Documentation: If needed, the Permittee shall obtain the Planning Director's written approval for a time extension to remove the equipment after the 30 days deadline.

Timing: The Permittee shall remove the equipment within 30 days of the completion of such work unless the Permittee obtains the Planning Director's written approval for a time extension to the 30 day deadline, prior to the end of the 30 day period.

Monitoring and Reporting: The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

23. Waste Handling and Containment of Contaminants

Purpose: In order to comply with §8107-5.6.4 of the *Ventura County Non-Coastal Zoning Ordinance* and to ensure waste materials and other pollutants are handled appropriately according to federal, state and local laws and regulations.

Requirement: The Permittee shall:

a. furnish the Planning Division with a plan for controlling oil spillage and preventing saline or other polluting or contaminating substances from reaching surface or subsurface waters;
b. provide a plan that is consistent with requirements of County, state and federal laws;
c. prepare a containment plan that shows containment of any and all oil, produced water, drilling fluids, cuttings and other contaminants associated with the drilling, production, storage and transport of oil on the site unless properly transported off-site, injected into a well, treated or re-used in an approved manner on-site or, if allowed, off-site;
d. secure all appropriate permits, permit modifications or approvals when necessary, prior to treatment or re-use of oil field waste materials; and,
e. submit the containment plan to the Planning Division prior to issuance of a Zoning Clearance.

Documentation: The Permittee shall prepare a containment plan.

Timing: The Permittee shall submit the containment plan to the Planning Division for review and approval prior to issuance of a Zoning Clearance.

Monitoring and Reporting: The Planning Division maintains the containment plan provided by the Permittee in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

24. Dust Prevention and Road Maintenance

Purpose: In order to comply with § 8107-5.6.6 of the *Ventura County Non-Coastal Zoning Ordinance* and to ensure pollutants are handled appropriately.

Requirement: The Permittee shall prepare a dust control plan. The drill site and all roads or hauling routes located between the public right-of-way and the subject site shall be improved or otherwise treated as required by the County and maintained as necessary to prevent the emanation of dust. Access roads shall be designed and

maintained so as to minimize erosion, prevent the deterioration of vegetation and crops, and ensure adequate levels of safety.

Documentation: A copy of the approved dust control plan.

Timing: The Permittee shall submit a written dust control plan to the Planning Division for review and approval prior to the issuance of a Zoning Clearance

Monitoring and Reporting: The Planning Division shall review and approve the dust control plan prior to the issuance of a Zoning Clearance. A copy of the approved dust control plan shall be maintained in the project file. The Planning Director may require that additional dust control measures are added to the plan at any time if the Planning Director determines it necessary. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition consistent with the requirements of §8114-3 of the *Ventura County Non-Coastal Zoning Ordinance.*

25. Painting of Permanent Facilities, Structures and Pipelines
Purpose: In order to ensure that buildings and structures comply with the Oil Development Standards of § 8107-5.6.9 of the *Ventura County Non-Coastal Zoning Ordinance* and blend in with their natural surroundings.

Requirement: The Permittee shall:

a. provide the specifications for all pumping equipment and ancillary equipment (e.g., tanks, equipment in cabinets, and pipes) on all development plans;
b. construct and maintain the exterior surfaces of all buildings and structures using building materials and colors that are compatible with surrounding terrain (e.g., earth tones and non-reflective paints);
c. construct the project site in compliance with the approved plans;
d. provide photo evidence to the Planning Division that the equipment is installed in compliance with the approved plans; and,
e. maintain the site in compliance with the approved plans.

Documentation: The Permittee shall provide plans with equipment specifications and exterior colors to the Planning Division. The Permittee shall provide photo evidence that the equipment is installed according to the approved plans.

Timing: Prior to the issuance of a Zoning Clearance for construction, the Permittee shall provide the details of all structures and equipment on plans for review and approval by the Planning Division. Prior to final inspection, the Permittee shall paint and treat the approved structures according to the approved plans. Prior to final inspection of the oil and gas facility, the Permittee shall provide photos demonstrating that the facility was treated as approved.

Monitoring and Reporting: The Planning Division maintains a copy of the approved plans in the project file. The Planning Division maintains the photo evidence provided

by the Permittee demonstrating compliance with this condition in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance.*

26. Site Restoration

Purpose: In order to comply with § 8107-5.5.5(e), 8107-5.5.6, & 8107-5.6.11 of the *Ventura County Non-Coastal Zoning Ordinance.*

Requirement: The Permittee shall restore disturbed areas in the project area to its original grade and condition, unless otherwise requested by landowner in writing and approved by the Planning Director.

Documentation: The Permittee shall submit a grading plan prepared by civil engineer to restore the site to the original contours. The Permittee shall also submit a restoration plan prepared by a County-approved, qualified biologist to be reviewed and approved by the Planning Division.

Timing: The Permittee shall submit the grading and restoration plans to the Planning Division and Public Works Agency within 30 days of revocation, expiration, or surrender of the permit, or abandonment of the use. The Permittee shall commence restoration work on the site within 90 days of revocation, expiration, or surrender of the permit, or abandonment of the use.

Monitoring and Reporting: The Permittee shall submit the grading plan to the Public Works Agency and the Planning Division prior to the commencement of the restoration work. The Planning Division will not exonerate the financial securities required by Condition No. 22 until it has determined that the grading and restoration plans have been implemented as approved.

27. Abandonment of Facilities

Purpose: In order to consolidate oil and gas facilities onto the Harth Lease, the Permittee shall abandon the oil and gas production facilities accessed by Koenigstein Road.

Requirement: The Permittee shall abandon all oil production facilities accessed by Konigstein Road consistent with Condition No. 1 in accordance with Division of Oil, Gas, and Geothermal Resources (DOGGR) standards and restore and revegetate the premises to as nearly its original condition as is practical

Documentation: The Permittee shall submit copies of official DOGGR notices of idle well status and abandoned status to the Planning Division for review and approval that demonstrates the idling and later abandonment of facilities accessed by Konigstein Road.

Timing: Within 90 days from the date of approval of this CUP, Permittee shall submit an official DOGGR notice of idle status to the Planning Director. Within two years from the date of approval of the CUP, the Permittee shall submit an official notice of abandonment to the Planning Director. These time periods may be extended at the sole discretion of the Planning Director for good cause shown if a written request is submitted prior to the expiration of the time period.

Monitoring and Reporting: The Planning Division shall maintain copies of the official DOGGR notices in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

28. Insurance

Purpose: In order to comply with § 8107-5.6.12 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: The Permittee shall maintain liability insurance of not less than $500,000 for one person, and $1,000,000 for all persons, and $2,000,000 for property damage. The Permittee shall name the County of Ventura as additionally insured. This requirement does not preclude the Permittee from being self-insured.

Documentation: The Permittee shall submit a copy of the liability insurance policy documents.

Timing: Prior to the issuance of a Zoning Clearance, the Permittee shall provide the liability insurance Planning Division for review and approval. Prior to the issuance of a Zoning Clearance, the Permittee shall submit a copy of the approved liability insurance to the Planning Division for the project file. The Permittee shall maintain liability issuance for the subject property for the life of the permit.

Monitoring and Reporting: The Permittee shall submit the liability insurance to Planning Division for review and approval to ensure that the Oil and Gas Operation has the required coverage in a manner that is required. The Planning Division maintains a copy of the liability insurance in the project file. The Planning Director may ask for a current insurance policy at any time to confirm ongoing compliance with this condition.

29. Noise Standard for Oil and Gas Operations

Purpose: In order to comply with § 8107-5.6.13 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: The Permittee shall ensure that drilling, production, and maintenance operations associated with this permit do not exceed the following noise levels, as measured over a one-hour period at locations that are occupied by noise-sensitive receptors (e.g., residences, schools, health care facilities, or places of public assembly):

One Hour Average Noise Levels (LEQ)		
Time Period	Drilling and Maintenance Phase	Producing Phase
Day (6:00 a.m. to 7:00 p.m.)	55 dB(A)	45 dB(A)
Evening (7:00 p.m. to 10:00 p.m.)	50 dB(A)	40 dB(A)
Night (10:00 p.m. to 6:00 a.m.)	45 dB(A)	40 dB(A)

For the purposes of this condition, a well is in the "producing phase" when hydrocarbons are being extracted or when the well is idle and not undergoing maintenance. It is presumed that a well is in the "drilling and maintenance phase" when it is not in the "producing phase."

Upon the request of the Planning Director, the Permittee shall have a qualified acoustical consultant measure the offending noise, in accordance with the procedures in *Ventura County General Plan* Hazards Appendix. These measurements shall occur within 24 hours of the Planning Director's request.

When the Permittee has been notified by the Planning Division that the Permittee is operating in violation of the applicable noise standard, the Permittee shall correct the problem as soon as possible in coordination with the Planning Division. In the interim, operations may continue; however, the operator shall attempt to minimize the total noise generated at the site by limiting, whenever possible, such activities as the following:

a. hammering on pipe;
b. racking or making-up of pipe;
c. acceleration and deceleration of engines or motors;
d. drilling assembly rotational speeds that cause more noise than necessary and could reasonably be reduced by use of a slower rotational speed; and,
e. picking up or laying down drill pipe, casing, tubing or rods into or out of the drill hole.

If the noise problem has not been corrected by 7:00 p.m. of the following day, the offending operations, except for those deemed necessary for safety reasons by the Planning Director upon the advice of the Division of Oil and Gas, shall be suspended until the problem is corrected.

This condition applies for the life of the permit. A report from a qualified acoustical consultant shall be submitted to the Planning Division upon request. If corrective measures are required to attenuate the offending noise to acceptable levels, The Permittee shall submit written and/or photo evidence to demonstrate that the corrective measures are in place prior to restarting the offending operations.

Documentation: The Permittee shall prepare a noise report from a qualified acoustical consultant and provide it to the County for review and approval prior to any construction activity that causes noise.

Timing: If a qualified acoustical consultant is hired by the Permittee to investigate an alleged violation, the acoustical consultant shall submit their findings, by telephone, to the Planning Division immediately upon completing their measurements. Within 24 hours of completing the measurements, the acoustical consultant shall submit a written report to the Planning Division.

Monitoring and Reporting: The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*. The Planning Division maintains all acoustical reports, and a written description of any corrective measures, provided by the Permittee in the project file.

30. Preventive Noise Insulation
Purpose: In order to comply with § 8107-5.6.16 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: The Permittee shall provide sufficient soundproofing to ensure that noise levels do not exceed County adopted noise limits. Such soundproofing shall include any or all of the following: acoustical blanket coverings, sound walls, or other soundproofing materials or methods which ensure that operations meet the applicable noise standard.

Documentation: The Permittee shall submit photo-documentation, or some other evidence acceptable to the Planning Director, that the soundproofing is installed.

Timing: The Permittee shall install soundproofing prior to the commencement of drilling or maintenance activities, and shall maintain the soundproofing until the operations are complete. The Permittee shall provide photo evidence that the sound proofing is in place prior to the issuance of a Zoning Clearance.

Monitoring and Reporting: The Planning Division shall maintain in the project file the photo evidence that the soundproofing was installed. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

31. Limited Drilling Hours
Purpose: In order to comply with § 8107-5.6.20 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: All drilling activities shall be limited to the hours of 7:00 a.m. through 7:00 p.m. of the same day. Nighttime drilling shall be permitted if it can be demonstrated to the satisfaction of the Planning Director that the applicable noise standards can be met or that all applicable and affected parties within the prescribed distance have signed a waiver pursuant to § 8107-5.6.25.

Documentation: If the permitted uses involve nighttime drilling, the Permittee shall submit: the required waivers; or, in lieu of the waivers, a noise study from a qualified acoustical consultant for review and approval by the Planning Division.

Timing: The Permittee shall implement limited drilling hours until the drilling phase is complete. If the permitted uses involve nighttime drilling, the Permittee shall submit the waivers prior to the issuance of a Zoning Clearance. If the Permittee retains an acoustical consultant to prepare a noise study, the Permittee shall submit the noise study prior to the issuance of a Zoning Clearance. If the noise study reveals the need for the implementation of noise attenuation measures to reduce sound levels to acceptable levels, the Permittee shall implement the noise attenuation measures prior to conducting the noise generating activities.

Monitoring and Reporting: The Planning Division maintains any submitted waivers in the project file. If a noise study is prepared, the Planning Division will review the study and ensure that any required soundproofing is installed prior to the commencement of noise generating activities. The Planning Division maintains any submitted noise study in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

32. Signs

Purpose: In order to comply with § 8107-5.6.21 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: In addition to the signage otherwise allowed by the *Ventura County Non-Coastal Zoning Ordinance* § 8110-0 et seq., the Permittee shall only place within the permit area, signs that are required for directions, instructions, and warnings, identification of wells and facilities, or signs required by other County ordinances or State and federal laws. Identification signs shall not exceed four square feet in size and shall contain, at a minimum, the following information:

a. the Division of Oil and Gas well name and number;
b. the name of the owner/operator of the oil facility;
c. the name of the lease and name and/or number of the well; and,
d. the name and telephone number of person(s) on 24-hour emergency call.

The Permittee shall maintain the well identification sign(s) at the well site from the time drilling operations commence until the well is abandoned. The Permittee shall submit to the Planning Division for review and approval, a sign plan for well identification, which includes the sign size, text, and site location.

Documentation: The Permittee shall submit an approved sign plan.

Timing: The Permittee shall submit the sign plan prior to the issuance of a Zoning Clearance. The Permittee shall install the approved signs prior to the commencement of drilling.

Monitoring and Reporting: The Planning Division maintains the approved sign plan in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

33. Fencing

Purpose: In order to comply with § 8107-5.6.22 of the *Ventura County Non-Coastal Zoning Ordinance*.

Requirement: The Permittee shall securely fence all active well sites (except submersible pumps), sumps and/or drainage basins or any machinery in use or intended to be used at the well site or other associated facilities, if required, based on the Planning Director's determination that fencing is necessary due to the proximity of nearby businesses, residences, or other occupied sensitive uses. The Permittee may use a single, adequate fence, which is compatible with the surrounding area, in order to enclose the wells or well site and appurtenances. The fences must meet all Division of Oil and Gas regulations.

Documentation: The Permittee shall prepare an approved site plan and/or landscape plan illustrating the fences.

Timing: Prior to the issuance of a Zoning Clearance, the Permittee shall submit a site plan which identifies the location of the fences to the Planning Division for review and approval. These plans must include schematic details of the fences illustration height and construction materials. The Permittee shall install the fences prior to activating the wells.

Monitoring and Reporting: The Planning Division maintains the approved site plan and fencing plans in the project file. The Planning Division has the authority to conduct periodic site inspections to ensure ongoing compliance with this condition pursuant to the requirements of § 8114-3 of the *Ventura County Non-Coastal Zoning Ordinance*.

34. Shipping Tanks

Any production shipping tanks installed on the subject permit site shall have a collective rated capacity of not more than 2,000 barrels per site and said tanks and appurtenances shall be painted in accordance with the paint scheme approved by the Planning Director within 30 days of erection of said tanks. Said tanks shall be kept painted and maintained in good condition at all times.

35. Designated Truck Traffic Access Route and the Transporting of the Oil, Gas, and Waste Products

At any time during the life of the permit the Planning Director determines that transport of oil offsite by truck is creating traffic problems, oil and gas products shall be transported offsite by pipeline when pipeline connections are determined by the Planning Director to be available and feasible. The installation of the necessary

pipelines shall occur in accordance with a reasonable time schedule established by the Planning Director. Where pipeline connections are not available or feasible, oil products may be removed by truck. All tanker trucking shall be limited to Monday through Saturday, between the hours of 7:30am and 6:30pm of the same day. Except under emergency circumstances, as determined by the Planning Director, no more than two tanker trucks per day shall be permitted to haul oil and waste products generated from an area under an oil permit through a residential area. Koenigstein Road shall not be used for oil production or exploration purposes.

36. Landscape Plan

All drill sites shall be landscaped so as to screen production equipment in a manner consistent with the natural character of the area. This shall be accomplished pursuant to a reasonable time schedule established by the Planning Director once the Director determines that fencing, landscaping, or screening is necessary. The Plans for said work shall be prepared in accordance with the County's Landscape Guidelines and shall be submitted to the County for review with the current landscape review fee. Such plans shall include specifications and a maintenance program and shall be approved by the Planning Director prior to their implementation. Wherever practical, native drought-tolerant materials shall be used for landscaping and revegetation, unless their use would not provide effective and timely screening. Consideration shall also be given to above ground pipelines which are part of the project. Landscape maintenance shall be subject to periodic inspection by the County. The Permittee shall be required to remedy any defects in landscape maintenance within two weeks of notification by the County.

37. On-Site Quarters

No one shall reside on the area under permit except those individuals who are required to be on the site 24 hours per day. These individuals include, but are not limited to, the foreman, drilling mud specialist, mud logger, and directional drilling technicians.

38. Notice to Property Owner and Residents

Ten days prior to commencement of site preparation or drilling, the Permittee shall notify in writing the surface owner and all residents on the property that such sctivities are about to occur. Prior to conducting maintenance activities, the Permittee shall notify all the residents on the property, if they can be reached.

39. Compatibility Review

Every third year from the date of permit approval, the permit shall be reviewed by the Planning Director at the Permittee's expense. The Permittee shall initiate the review by filing an application for said review and paying the applicable deposit fee. Said fees shall be no greater than those for a Planning Director approved Conditional Use Permit. The purpose of the review is to ascertain whether the permit, as conditioned, has remained consistent with its findings for approval and if there are grounds for the filing of an application for modification or revocation of the permit. If an application for revocation is filed, it shall be at the County's expense and will include duly noticed hearings.

40. Fire Protection
During the life of the permit, the Permittee shall provide adequate water supply and access for fire protection and evacuation purposes, as determined by the Planning Director.

41. Fire Protection
During the life of the permit, the Permittee shall provide fire-resistant vegetation, cleared firebreaks, or a long-term comprehensive fuel management program to prevent fire hazards, as determined by the Planning Director.

II. Environmental Health Division (EHD) Conditions

42. Sanitary Facilities
Sufficient sanitary toilets and washing facilities approved by the Environmental Health Division shall be installed and maintained in a clean and sanitary condition at all times during period of drilling.

43. Potable Water
An adequate supply of safe potable water for drinking purposes shall be supplied to the site as approved by the Environmental Health Division.

44. Hazardous Waste
Disposal of any potentially hazardous wastes as defined in the Health and Safety Code shall be by a means approved by the Environmental Health Division.

45. Abandoned Wells
Any abandoned excavations, including oil wells, sumps, water wells, etc., under the Permittee's control and operation on the Permittee's drilling or production equipment sites shall be properly destroyed in accordance with the Ventura County Ordinance.

OTHER VENTURA COUNTY AGENCIES

III. Ventura County Fire Protection District (VCFPD) Conditions

46. Abandoned Wells

Permittee shall apply for a Uniform Fire Code Permit for each well.

47. Fire Code Permits for drilling activities

Purpose: To ensure the project complies with the California Fire Code, National Fire Protection Association Standard #30 and Ventura County Fire Protection District requirements.

Requirement: The Permittee shall obtain a Fire Code permit for drilling activities.
Documentation: The Permittee shall submit a Fire Code permit application along with required documentation/plans to the Fire Prevention Bureau for review and approval. . The submittal shall include a plot plan drawn to scale or with dimensions showing all buildings and improvements within a radius of 300 feet of the exact location of the proposed wellhead.
Timing: The Permittee shall submit the required application to the Fire Prevention Bureau for review and approval at least two (2) weeks prior to the start of planned drilling activities. A Fire Code Permit must be obtained prior to the issuance of the Zoning Clearance for Use Inauguration.

Monitoring and Reporting: The Fire Prevention Bureau shall review the submitted application. A copy of approved Fire Code permits shall be kept on file with the Fire Prevention Bureau. The Fire Prevention Bureau shall conduct a final inspection to ensure that the requirements of the Fire Code permit are installed according to the approved plans. Unless a modification is approved by the Fire Prevention Bureau, the Permittee, and his successors in interest, shall maintain the conditions of the Fire Code permit for the life of the project. (VCFPD-64)

IV. Air Pollution Control District (APCD) Conditions

48. APCD Rules and Regulations for Project Site Preparation and Drilling Operations

Purpose: In order to ensure that fugitive dust and particulate matter that may result from any site preparation and construction activities on the site are minimized. The Permittee shall comply with the provisions of applicable VCAPCD Rules and Regulations, which include but are not limited to, Rule 50 (Opacity), Rule 51 (Nuisance), and Rule 55 (Fugitive Dust).

Requirement: The Permittee shall comply with the provisions of applicable VCAPCD Rules and Regulations, which include but are not limited to, Rule 50 (Opacity), Rule 51 (Nuisance), and Rule 55 (Fugitive Dust).

Documentation: The Lead Agency shall ensure compliance with the following provisions:

I. The area disturbed by clearing, grading, earth moving, or excavation operations shall be minimized to prevent excessive amounts of dust;
II. Pre-grading/excavation activities shall include watering the area to be graded or excavated before commencement of grading or excavation operations. Application of water (preferably reclaimed, if available) should penetrate sufficiently to minimize fugitive dust during grading activities;
III. Fugitive dust produced during grading, excavation, and construction activities shall be controlled by the following activities:
IV. Signs shall be posted onsite limiting traffic to 15 miles per hour or less.

V. All clearing, grading, earth moving, or excavation activities shall cease during periods of high winds (i.e., greater than 15 miles per hour averaged over one hour.) During periods of high winds (i.e., wind speed sufficient to cause fugitive dust to impact adjacent properties), all clearing, grading, earth moving, and excavation operations shall be curtailed to the degree necessary to prevent fugitive dust created by onsite activities and operations from being a nuisance or hazard, either offsite or onsite.
VI. Signs displaying the APCD Complaint Line Telephone number for public complaints shall be posted on the site: (805) 645-1400 during business hours and (805) 654-2797 after hours.

Reporting and Monitoring: The Lead Agency shall monitor all dust control measures during drilling activities.

49. APCD Rules and Regulations

Purpose: To ensure that project operations shall be conducted in compliance with all applicable VCAPCD Rules and Regulations, in particular Rule 10, (Permits Required) certain types of new and modified equipment and operations require APCD permits prior to installation.

Requirement: The Permittee shall obtain an Authority to Construct prior to installation and a Permit to Operate prior to operation, if needed for concrete and asphalt demolition. To help prevent project delays, the Permittee or their representative should contact the VCAPCD Engineering Division at the earliest practicable date to determine any air permit requirements. The VCAPCD Engineering Division can be contacted by telephone at (805) 645-1401 or by email at engineering@vcapcd.org.

Documentation: An approved Authority to Construct and an approved Permit to Operate.

Timing: The Permittee shall submit the appropriate applications and supporting documentation to APCD for review and approval prior to beginning construction or installation or prior to beginning operation. The Permittee shall provide the Planning Division these APCD permits, or written confirmation from ACPD that the permits are not needed, prior to the issuance of a Zoning Clearance for use inauguration and/or installation.

Monitoring and Reporting: A copy of both the approved Authority to Construct and a Permit to Operate shall be maintained as part of the project file. Ongoing compliance with the requirements of the Permit to Operate shall be accomplished through field inspection by District Inspectors.

Mirada Petroleum Project, LU11-0041

REVISED 4-24-13

This Addendum has been revised to include the public comments provided at the March 21, 2013 public hearing. Responses to each comment are also provided.

NEGATIVE DECLARATION (MND) – ADDENDUM

A. BACKGROUND INFORMATION AND PROJECT DESCRIPTION:

1. **Entitlement:** Minor Modification of existing Conditional Use Permit (CUP 3319) to authorize the drilling of nine new oil and gas wells and the continued operation of two existing wells and other existing oil and gas facilities (LU11-0041). The project also includes the abandonment of four existing active wells that had been previously approved.

2. **Applicant:** Mirada Petroleum

3. **Property Owners:** George L. Martin, Joseph C. Nesbitt, Trustee of The Nesbitt Survivor's A-Trust u/d/t August 16, 1996, James P. Findley and Sita D. Findley

4. **Location:** Approximately two miles northwest of Thomas Aquinas College, and one and one-half miles north of Highway 150, Santa Paula

5. **Assessor's Parcel Numbers:** 040-0-010-225, 040-0-010-345, 040-0-010-355

6. **Lot Size:** 320 acres

7. **General Plan Land Use Designation:** Open Space

8. **Zoning Designation:** "OS-160ac" (Open Space, 160 acre minimum lot size)

9. **Project Description:** The requested modified CUP would authorize oil and gas exploration and production in accordance with Section 8105-4 of the *Ventura County Non-Coastal Zoning Ordinance.* Specifically, the requested CUP would allow:

    a. The testing, drilling, production, reworking and maintenance (excluding hydraulic fracturing) of nine proposed oil and gas wells and two existing wells (a total of 11 wells) on the Harth drilling pad. Currently, CUP 3319 authorizes six wells. The location of each well is shown on Exhibit 3;
    b. The abandonment of all oil and gas facilities located on the Nesbitt Lease and those facilities located on the easternmost drill pad on the Harth Lease that are accessed from Koenigstein Road.

c. Separation of natural gas and produced water from crude oil
d. Processing operations required for on-site injection well purposes
e. The off-site storage and transportation of produced gas and crude oil products from the site, and,
f. Operation of existing equipment associated with the storage, processing, and transporting of oil, gas, and water, as shown on Attachment F and Exhibit 3 in the hearing exhibits. ~~in support of the project and as described in the conditions of this CUP.~~

The proposed project does not include any new grading or removal of vegetation. All proposed wells will be drilled on the existing Harth lease pad that does not require access from Koenigstein Road. Transport of oil produced at this site will involve no more than two round-trip truck trips per day, Monday through Saturday. The proposed project does not include any new facilities or equipment other than pumping units.

~~The existing equipment is shown on Exhibit 3 and includes the following: six wells – Nesbitt 1, 2, 4, and 5, Harth 1, and 2, two 250 bbl wash tanks, one 1,000bbl oil tank, one 200 bbl wash tank, one 150 bbl wash tank, one 100 bbl wash tank, and five gas traps. The Harth Lease Pad also includes one partial 500 bbl tank used for parts and one heater treater kept for future use. The oil facilities authorized by CUP 3319 currently receive and store oil production from a well (ADP Federal 1) that is located outside of the CUP boundary. The ADP Federal 1 well is located on federal land in the Los Padres National Forest and is not subject to a County of Ventura permit (VCNCZO § 8107-5.2).~~

~~The facilities that will be abandoned include the following: four wells – Nesbitt 1, 2, 4, and 5, two 250 bbl water tanks, one 200 bbl wash tank, and three gas traps. The produced oil from the ADP Federal 1 well will no longer be collected and stored in facilities located on the Nesbitt Lease (see Exhibit 3).~~

The existing equipment on the Harth Lease pad is shown on Exhibit 3 and includes the following:

- Two oil wells (Harth 1, Harth 2)
- Two gas traps
- One 250 barrel wash tank
- One 105 barrel wastewater tank
- One 1,000-barrel oil tank
- One vapor recovery flare
- One heater treater unit (idle)
- Two 500-1,000 barrel tanks (unusable)

Note that the two unused tanks do not contain any fluid and are not usable in their current condition.

The current equipment on the Nesbitt Lease includes:

- Four oil wells (Nesbitt 1, 2, 4 and 5)
- Three gas traps
- One 250 barrel wastewater tank
- One 250 barrel oil tank
- One 391 barrel wash tank

The equipment on the Nesbitt Lease will be removed as part of the abandonment of the drill sites and wells.

The oil facilities authorized by CUP 3319 currently receive and store oil production from a well (ADP Federal 1) that is located outside of the CUP boundary. The ADP Federal 1 well is located on federal land in the Los Padres National Forest and is not subject to a County of Ventura permit (VCNCZO § 8107-5.2). The produced oil from the ADP Federal 1 well will no longer be collected and stored in facilities located on the Nesbitt Lease (see Attachment F and Hearing Exhibit 3).

Hydraulic fracturing well completion techniques will not be employed in the proposed nine new wells.

B. STATEMENT OF ENVIRONMENTAL FINDINGS:

On July 18, 1985, the Planning Director adopted a Mitigated Negative Declaration (MND; Attachment E) that evaluated the environmental impacts of the construction and operation of three new oil wells and existing oil and gas facilities. The proposed project is the drilling of nine new oil and gas wells on an existing drill pad and the continued use of the existing facilities on that pad. Other oil and gas facilities that are accessed from Koenigstein Road will be abandoned. The new oil wells and associated pumping units comprise the new permanent equipment that will be installed. The other existing equipment on the drill pad (e.g. storage tanks) will continue to be used.

Section 15164(b) of the State CEQA Guidelines (Title 14, California Code of Regulations, Chapter 3) states that the decision-making body may adopt an addendum to an adopted MND if: (1) only minor technical changes or additions are necessary; ~~and~~ or, (2) none of the conditions described in Section 15162 of the State CEQA Guidelines calling for the preparation of a subsequent EIR or negative declaration have occurred.

The conditions described in Section 15162 of the State CEQA Guidelines which require the preparation of a subsequent MND are provided below, along with a discussion as to why a subsequent MND is not required:

1. **Substantial changes are proposed in the project which will require major revisions of the previous MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects § 15162(a)(1);**

   The oil and gas facility was previously analyzed for its potential impacts on the environment and any required mitigation measures. The proposed project is the drilling of nine new wells on an existing drill pad and the abandonment of four existing, previously approved wells. The MND included a mitigation measure to mitigate the project impacts to air quality to a less than significant level. All other potential impacts were found to be less than significant. The proposed project will be subject to current Air Pollution Control District Rules and Regulations which are stricter standards than those that were analyzed in the MND. The current Rules and Regulations render the MND mitigation measure unnecessary. The proposed drilling of nine wells does not include any physical change to the land outside of the existing drill pad that will be used and does not have the potential to create any changes in the environment outside of this pad. Therefore, the proposed drilling of nine wells on the existing drill pad will not create any new environmental impacts that were not previously analyzed in the MND or substantially increase the severity of impacts previously identified in the MND.

2. **Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous MND due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects § 15162(a)(2); or,**

   The circumstances under which the potential impacts to the environment were evaluated have not substantially changed such that the proposed drilling of nine oil and gas wells will require major revisions to the MND. ~~Additionally, new potentially significant environmental effects have not been identified for the proposed project. The proposed drilling of nine oil and gas wells will not create any new impacts that were not previously analyzed in the MND.~~ Thus, major revisions of the previous MND are not required.

3. **New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Planning Director certified the previous MND, shows any of the following:**

a. The project will have one or more significant effects not discussed in the previous MND § 15162(a)(3)(A);

No new information or environmental impacts that were unknown and could not have been known when the MND was adopted have become available. The environmental conditions that currently exist on site are substantially the same as those that existed at the time at which the MND was adopted. ~~Therefore, the drilling of nine oil and gas wells on an existing drill pad will not create any significant effects that were not discussed in the previous MND.~~

b. Significant effects previously examined will be substantially more severe than shown in the previous EIR;

An EIR was not prepared for the proposed project. In any case, no significant and unavoidable impacts were identified in the previous environmental document (an MND). No new potentially significant impacts have been identified that would result from the proposed project.

c. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

No project alternatives were analyzed in the previous MND adopted for the project. No new mitigation measures have been identified as necessary to reduce impacts to a less than significant level. The project proponent has not declined to include any mitigation measures into the proposed project changes.

d. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

No project alternatives were analyzed in the previous MND adopted for the project. No new mitigation measures have been identified as necessary to reduce impacts to a less than significant level. The project proponent has not declined to include any mitigation measures into the proposed project changes.

Therefore, based on the information provided above, there is no substantial evidence to warrant the preparation of a subsequent ~~M~~ND or EIR for the proposed project. The decision-making body shall consider this addendum to the adopted MND prior to making a decision on the project.

C. PUBLIC REVIEW:

Pursuant to the State CEQA Guidelines § 15164(c), this addendum to the MND does not need to be circulated for public review, and shall be included in, or attached to, the adopted MND.

This Addendum has been augmented with the following "Public Comments" section to address public comments received at the March 21, 2013 Planning Director public hearing on the proposed project. [Underline omitted]

Public Comments (testimony):

At the March 21, 2013 Planning Director public hearing, public testimony (oral and written) was received that involves both environmental and policy/ordinance consistency issues. Persons who spoke at the hearing include:

John Davis	James Beckett
Maryanne Ratcliff	Richard Holly
R. Eric King	Carol Holly
Christopher Stolz	John Battel
Dwier Brown	Danny Everett
David Feigin	Valerie Levett
Nancy Greenfield	John Battel
Andrew Whitman	Tracy Watson

Listed below are each of the issues raised in public testimony and a corresponding staff response.

1. Adequacy of access roads: *Public testimony was provided that the access roads to the Mirada drilling sites, including State Highway 150, are not adequate.*

Staff response: Koenigstein Road has historically been used to access a private road that leads to the northern portion of the subject oil field. As part of the proposed project, the northern facilities will be abandoned and oil production traffic will cease on Koenigstein Road.

Another existing private road connected directly to State Highway 150 provides access to the existing drilling pad located in the southern portion of the oil field. This southern private road is currently used by oil field vehicles and is adequate for project-related traffic. The intersection of the private access road with State Highway 150 is also adequate for project-related traffic.

Therefore, no change in the project, or in its circumstances, or new information regarding access roads under the proposed project would cause new significant impacts or increased severity of impacts previously identified.

2. Traffic on Koenigstein Road: *Public testimony was provided that the current oil and gas operation generates much more than the allowed two truck trips per day. It should be expected that the proposed project will also generate much more than two trips per day.*

Staff response: The proposed project does not involve an increase in long-term truck traffic to transport produced oil from the existing oil field. The current permit limit of two round trips per day would remain. Any exceedance of the trip limit would be a code enforcement matter acted upon by the County after receiving a public complaint. The County does not have any information that Mirada Petroleum is exceeding its permitted limit. In any case, the use of Koenigstein Road by Mirada Petroleum will cease under the proposed modified permit. Project-related traffic will use a private road directly connected to Highway 150. Given the elimination of the use of Koenigstein Road, the vehicle miles driven on public roads will decrease as a result of the proposed project. Thus, no change in the project, or in its circumstances, or new information regarding traffic associated with the proposed project would cause new significant impacts or increased severity of impacts previously identified.

3. Cumulative impacts: *Public testimony was provided that cumulative impacts should be addressed in a revised environmental document. Commenters stated that issues that should be addressed in a revised environmental document include:*

- *a significant amount of development has occurred in the area since the project was permitted in 1985;*
- *increased oil production from Monterey Shale;*
- *the current oil boom;*
- *approximately 300 wells in the area;*
- *air quality;*
- *water quality, and;*
- *increased traffic.*

Staff Response: The testimony provided at the public hearing did not differentiate between past development that is part of the existing setting, and current and reasonably foreseeable projects that comprise current cumulative development. Development that has occurred "since 1985" is largely part of the existing setting against which the impacts of the proposed project are assessed. No new impacts have been identified that would constitute a considerable contribution to any cumulatively significant effect associated with current and reasonably foreseeable projects. For example, the project would not generate any new long-term truck traffic that would affect traffic conditions as the current trip limit would remain in effect. Additionally, the proposed wells would be installed on an existing drilling pad and

accessed by an existing private road. Thus, no new area would be disturbed. Thus, no new effects on biological resources are anticipated.

The other "cumulative" issues mentioned in public testimony are addressed as follows:

Increased production from Monterey Shale: While the future potential for new drilling and production from the Monterey Shale has been identified and reported, it has not yet occurred. The feasibility of enhanced production from the Monterey due to hydraulic fracturing has also not yet been proven. However, as reported in the April 21, 2013 edition of the Ventura County Star, there has been an uptick in petroleum leasing activity. The oil companies are undoubtedly interested in being positioned with mineral rights holdings should the technology of hydraulic fracturing ultimately facilitate enhanced oil recovery from the Monterey Formation. This leasing activity does not mean that an "oil boom" is underway. Whether a substantial number of new oil wells are drilled and placed into production is uncertain at this time. It depends on the development of technology, the complexity of the geology of the Monterey Formation, and the demonstration of increased petroleum production that meets economic targets. Over the past year, the County of Ventura has processed only four petroleum permit applications that involve a total of 20 wells in the Ojai, Oxnard and Piru areas.

Should an "oil boom" occur, the regulatory requirements of the VCAPCD to limit and mitigate air emissions associated with petroleum operations will be applicable to any new drilling and production. Similar to the current circumstance, the cumulative air quality conditions will not degrade due to the implementation of the VCAPCD permitting program. In addition, the DOGGR well completion regulations will continue to assure that groundwater is adequately protected from contamination from any new oil wells.

In any case, the project description has been clarified by the applicant to exclude the use of hydraulic fracturing well completion techniques in the proposed nine new wells.

Oil Boom: See discussion above regarding the Monterey Shale.

Approximately 300 wells in the area: Southern Ventura County is underlain by many existing oil fields that include thousands of existing wells. According to DOGGR, there are approximately 1,700 active wells in Ventura County. The existence of numerous oil wells is part of the existing setting.

Water quality: No substantial evidence has been provided or identified that the proposed wells will impact the quality of ground or surface waters. The regulation and permitting of well construction and well completion by the California Division of Oil, Gas and Geothermal Resources (DOGGR) is primarily focused on

assuring that wells do not pollute groundwater or otherwise leak. Oil wells must be constructed with a series of steel casing segments cemented to the surrounding formation rock to assure that no hydrologic connection exists between the petroleum production zone and formations that contain groundwater resources. The design of the casing and cement job is subject to review by engineers at DOGGR. The installation of casing and the physical testing of the integrity of the cement seal are overseen by DOGGR staff. Public Resources Code sections 3000-3865 comprise the State law under which the regulation of oil and gas operations by DOGGR is authorized.

According to Brian R. Baca (California Certified Hydrogeologist #398), the proposed drilling site at issue is underlain by steeply dipping shales of the Tertiary Cozy Dell and Coldwater formations. These units dip 45 to 70 degrees northward and are composed of fine-grained, thinly-stratified shales. These units are generally impermeable and do not yield groundwater in substantial quantities. They do not constitute a major source of groundwater and would have no substantial hydrologic connection to any nearby alluvial aquifers.

Given the above discussion, substantial effects on water quality due to the proposed project are not reasonably foreseeable.

Increased traffic: The proposed project does not involve an increase in traffic. Thus, it would not contribute to any cumulative traffic impact.

In summary, there is no substantial evidence to indicate that the proposed project would make a considerable contribution to a cumulatively significant impact.

4. Water demand: *Public testimony was provided that expressed concern for the amount of water that would be used during drilling operations.*

Staff Response: The temporary water use during drilling operations or other construction does not represent an ongoing increase in water demand. Such temporary uses are not considered in the assessment of impacts under the County Initial Study Assessment Guidelines. In any case, the water used during the temporary drilling operations is minor and would not substantially affect water resources. Water used during the drilling of the proposed nine new oil wells can be estimated as follows:

Assumptions:
5,000-foot well depth
12-inch diameter wellbore
Drilling fluid = 100 % water (The volume of drilling mud is ignored in this example.)
9 wells

Calculations: (Well volume = $\pi r^2 D$; r = wellbore radius, D = Well depth)

3.14 (0.5 feet)(0.5 feet)(5,000 ft) = 3,925 ft^3 of water
3,925 ft3 x 7.48 gallons/cubic foot = 29,359 gallons/well
29,359 gallons x 9 wells = 264,231 gallons
264,231 gallons/325,851 gallons per acre-foot = **0.81 AF** *(one-time use)*

As indicated above, the temporary drilling activities for all proposed wells would consume only 0.81 Acre-feet of water. The temporary use of this small volume of water would not substantially affect groundwater or surface water resources. Therefore, no change in the project, or in its circumstances, or new information regarding water resources associated with the proposed project would cause new significant impacts or increased severity of impacts previously identified.

5. Fracking: *Public testimony was provided that expressed concern that the potential use of hydraulic fracturing ("fracking") techniques on the proposed wells could result in induced seismic activity and impacts on groundwater.*

Staff response: The applicant has clarified the project description to exclude the use of hydraulic fracturing (fracking) well completion techniques in the proposed wells. Any future proposal to conduct hydraulic fracturing would require County approval of a modified conditional use permit. Thus, no impact on groundwater or seismic activity due to fracking would result from the proposed project.

6. Truck traffic during drilling: *Public testimony was provided that expressed concerns about the truck traffic associated with drilling operations.*

Staff response: The temporary truck traffic involved in well construction (and in all construction) are not regulated or limited by the County of Ventura. Such a temporary effect is also not considered in the evaluation of transportation impacts under the adopted County Initial Study Assessment Guidelines. The safety of this temporary traffic on public roads and the adequacy of the public and private roads to provide adequate access for emergency vehicles is evaluated by the County Transportation Department and County Fire Protection District. Both of these agencies found the proposed access road to be adequate for the proposed project.

Thus, no change in the project, or in its circumstances, or new information regarding truck traffic associated with the proposed project would cause new significant impacts or increased severity of impacts previously identified.

7. Project-specific impacts on Air Quality: *Public testimony was provided that the impacts of the proposed project were not quantified in the MND or Addendum such that additional analysis is required.*

Staff response: The proposed project involves the addition of a maximum of nine new oil wells to the Harth lease in the Silverthread Oil Field. The Harth lease is operated by Mirada Petroleum pursuant to Conditional Use Permit 3319 and VCAPCD Permit to Operate #00381. Permit to Operate 00381 authorizes 1.08 tons/year of Reactive Organics (ROC) emissions. According to the VCAPCD (Kerby Zozula, pers. comm. 4-10-13), the proposed nine oil wells by themselves would generate approximately 3.29 tons/year of ROC. Thus, the emissions of ROC at the Harth Lease would rise to 4.37 tons/year. Because the total emissions from the Harth facility would be less than 5.0 tons/year ROC, no emission reduction credits would be required to offset the increased emissions in accordance with VCAPCD Rule 26.2. Should additional facilities be added in the future, any emissions above 5.0 tons/year ROC will be required to be offset by emission reduction credits. Mirada Petroleum currently holds 2.78 tons/year in unallocated emission reduction credits.

Because the oil wells operate under permit from the VCAPCD, the emissions generated by these facilities are not counted toward the VCAPCD CEQA Thresholds of Significance for impacts on air quality. This is because the implementation of the VCAPCD permitting program as a whole acts to help the County meet the State and Federal air quality standards (i.e. assures that there is no net increase in Countywide air pollutant emissions). This program includes emission reduction mandates, limitations on new emissions imposed on individual permit units, the application of best available control technology (BACT), and emission reduction banking with credit transfers. The VCAPCD Thresholds are used by the County of Ventura in conducting environmental review of discretionary projects.

The previously-adopted MND includes mitigation measures to address air pollutant emissions. These mitigation measures are now superseded by the current and more stringent VCAPCD Rules.

In summary, no significant impact on air quality is anticipated with the implementation of the VCAPCD Rules.

8. Project-specific impacts related to Fire hazards: *Public testimony was provided that expressed concern about the response time to an incident in the subject oilfield.*

Staff Response: The proposed project involves the continued use of an existing drilling and production pad and existing access roads. The access road is paved and generally between 18 to 22 feet in width. Some short segments of the access road are one-lane between 12 and 16 feet in width. Thus, the project does not involve any new or adverse effect on site access for fire suppression or response time. In order to assure that adequate access is available during the temporary drilling period, the oil operator will be required to prepare and submit a site access plan to the VCFPD for review and approval. This will assure that adequate access is maintained during the temporary drilling period.

9. Clarification of permit term: *At the March 21, 2013 hearing, a correction of the staff report was announced. The staff report listed the proposed permit term as ending in the year 2025. This is an error as the application was for a 25-year permit term. Testimony was presented that this clarification was important and should result in a new hearing and review process.*

Staff response: The error of listing the effective term of the permit as ending in 2025 instead of 2038 in the staff report does not involve any new or increased environmental impacts or create any changes in the evaluation of consistency with the Ventura County General Plan or Ventura County Non-Coastal Zoning Ordinance. The permit term was not included in the Public Notice for the March 21, 2013 hearing. Thus, no new evaluation or hearing is required.

10. Greenhouse gases: *Public testimony was provided that expressed concern regarding the potential impact of greenhouse gas emissions generated by the proposed project.*

Staff response: The proposed project involves the installation of up to nine new oil wells on the Harth Lease drill pad. The quantity of greenhouse gas emissions from these wells can be estimated from the anticipated Reactive Organic Compound (ROC) emissions. As stated in the analysis of issue 7 above, the annual ROC emissions would rise to 4.37 tons/year (4.8 metric tons/year) with the proposed project. According to the VCAPCD (K. Zozula, pers. comm., 4-10-13), a reasonable estimate is that 90 percent of oil field emissions are methane (a GHG) and 10 percent are ROC. With these parameters, the estimated GHG emissions from the proposed project would be 43.2 tons/year of methane (4.8 x 9 = 43.2). These methane emissions are equivalent to 909 tons/years of CO^2 (43.2 x 21 = 909). As explained in the following discussion of climate change, this level of greenhouse gas emissions is below the applicable Threshold of Significance of 10,000 metric tons/year of CO^2 equivalents (CO^2e).

Impacts involving greenhouse gas emissions pertain to changes in global climate. This is a cumulative effect that would not involve project-specific or local impacts. As indicated above, the estimated GHG emissions would be less than the applicable threshold. Thus, the contribution of the project to the cumulative impact of global warming is not cumulatively considerable.

CLIMATE CHANGE

Existing Conditions

Background:

Gases that trap heat in the atmosphere are known as greenhouse gases (GHGs). GHGs are emitted by natural processes and human activities. Examples of GHGs that are produced both by natural processes and industry include carbon dioxide (CO2), methane (CH4), and nitrous oxide (N2O). GHGs in the atmosphere regulate the temperature of the earth's atmosphere. Without these natural GHGs, the Earth's surface would be about 61°F cooler (AEP 2007). However, emissions from fossil fuel combustion by humans have elevated the concentration of GHGs in the atmosphere to above natural levels. Scientific evidence indicates a correlation between increasing global temperatures/climate change over the past century and human induced levels of GHGs. According to the United Nations' Intergovernmental Panel on Climate Change (IPCC) "Fourth Assessment Report, Climate Change 2007," most of the observed increase in global average temperatures since the mid-20th century is *very likely* due to the observed increase in anthropogenic concentrations of these three gases, collectively known as *Greenhouse Gases (GHG)*. The report states, "*Global atmospheric concentrations activities since 1750 far exceed pre-industrial values determined from ice cores spanning many thousands of years. The global increases in carbon dioxide concentration are primarily due to fossil fuel use and land use change, while those of methane and nitrous oxide are primarily due to agriculture*" (IPCC 2007: Summary for Policymakers).

Some observed effects of climate change include shrinking glaciers, thawing permafrost, later freezing and earlier break-up of ice on rivers and lakes, a lengthened growing season, shifts in plant and animal ranges, and earlier flowering of trees (IPCC 2007). Other, longer term environmental impacts of global warming may include sea level rise, changing weather patterns with increases in the severity of storms and droughts, changes to local and regional ecosystems including the potential loss of species, and a significant reduction in winter snow pack. These GHG and other induced environmental changes are predicted to have severe negative environmental, economic, and social consequences around the globe. For example, one study estimates that the Sierra Nevada Mountains as a whole could lose as much as 50 percent of its April snowpack compared to current levels by the end of the 21st century (California Department of Water Resources 2006). Current data suggests that in the next 25 years, in every season of the year, California will experience unprecedented heat, longer and more extreme heat waves, greater intensity and frequency of heat waves, and longer dry periods. More specifically, the California Climate Change Center predicted that California could witness the following events (Fried, et al 2006):

- Temperature rises between 3-10.5°F;
- 6-20 inches or more of sea level rise;
- 2-4 times as many heat wave days in major urban centers;
- 2-6 times as many heat related deaths in major urban centers;
- 1-1.5 times more critically dry years; and
- 10-55 percent increase in the expected risk of wildfires.

GHGs have varying amounts of global warming potential (GWP). The GWP is the ability of a gas or aerosol to trap heat in the atmosphere. By convention, CO2 is assigned a GWP of one. In comparison, CH4 (methane or natural gas) has a GWP of 21, which means that it has a global warming effect 21 times greater than CO2 on an equal-mass basis. To account for their GWP, GHG emissions are often reported as a CO2 equivalent (CO2e). The CO2e for a source is calculated by multiplying each GHG emission by its GWP, and adding the results together to produce a single, combined emission rate representing all GHGs.

To date, 12 states, including California, have set state GHG emission targets. Executive Order S-3-05 and the passage of AB 32, the California Global Warming Solutions Act of 2006, promulgated the California target to achieve 1990 GHG levels by the year 2020. This emissions reduction approach allows progress to be made in addressing climate change, and is a forerunner to the setting of emission limits. The Federal government and EPA have also begun the process to regulate GHGs as pollutants (see discussion below).

Regulatory Setting

International Initiatives:

Over the past 15 years, various international, national, regional, state, and local initiatives have been adopted to address climate change. The foremost international climate change initiative is the United Nations Framework Convention on Climate Change (UNFCCC), commonly known as the Kyoto Protocol. Signed on March 21, 1994, the Kyoto Protocol calls for governments to gather and share information on GHG emissions, national policies, and best practices; launch national strategies for addressing GHG emissions and adapting to expected impacts, including the provision of financial and technological support to developing countries; and cooperate in preparing for adaptation to the impacts of climate change. There have been several international summits since Kyoto, most recently Copenhagen (December 2009), which seek to advance and cement climate change goals and programs, but no significant advances in this area have been accomplished since Kyoto.

Federal Initiatives and Regulations:

Although the U.S. has not ratified the Kyoto Protocol, it established a comprehensive policy to address climate change in 2002. The policy has three basic components: slowing the growth of GHG emissions; strengthening the science, technology, and institutions; and enhancing international cooperation. The federal government is implementing this policy through voluntary and incentive-based programs and has established major programs to advance climate technologies and improve climate science.

The U.S. government administers a wide array of public-private partnerships to reduce U.S. GHG intensity. These programs focus on energy efficiency, renewable energy, methane, and other non-carbon dioxide (non- CO2) gases, agricultural practices and implementation of technologies to achieve GHG reductions. Based upon a recent U.S. Supreme Court decision (*Massachusetts v. EPA* (2007) 549 U.S. 497, the United States Environmental Protection Agency (EPA) has been given the authority to regulate CO2 or GHG emissions as an air pollutant under the federal Clean Air Act (42 U.S.C. § 7602(g)). EPA also implements several voluntary programs that substantially contribute to the reduction of GHG emissions.

Final Mandatory Reporting of GHG Rule:

The EPA issued the Final Mandatory Reporting of Greenhouse Gases Rule on October 30, 2009 (EPA 2009). The rule requires suppliers of fossil fuels or industrial GHGs, manufacturers of vehicles and engines, and facilities with stationary sources that emit 25,000 metric tons or more per year of CO2e emissions to collect emissions activity data and submit annual emissions reports to the EPA beginning with year 2010 operations. The rule applies to the existing and proposed Simi Valley Landfill and Recycling Center (SVLRC) operations. The rule does not apply to mobile sources of GHGs. This reporting system will provide a better understanding of GHG emission sources within the U.S. and it will guide the development of policies and programs to reduce GHG emissions. It also will support implementation of the EPA Prevention of Significant Deterioration and Title V GHG Tailoring Rule. This rule has similarities to the California Regulation for the Mandatory Reporting of GHG Emissions, which also specifies a reporting threshold of 25,000 metric tons of CO2e for stationary sources. Reporting of greenhouse gases by major sources in California is required by by AB 32.

Prevention of Significant Deterioration (PSD) and Title V Greenhouse Gas Tailoring Rule:

On May 13, 2010, the EPA finalized the "GHG Tailoring Rule" to address GHG emissions from the largest stationary sources. The rule includes a phased implementation schedule, when Clean Air Act (CAA) permitting requirements for GHGs will begin in January 2011 for large facilities that are already required to

obtain PSD and Title V permits for other pollutants. In July 2011, CAA permitting requirements expanded to cover all new facilities with GHG emissions of at least 100,000 TPY CO2e and modifications at existing facilities that would increase these emissions by at least 75,000 TPY. These permits must demonstrate the use of best available control technologies (BACT) to minimize GHG emission increases when facilities are constructed or significantly modified. The existing and proposed SVLRC are subject to this new rule.

California Initiatives and Regulations:

AB 32 - California Global Warming Solutions Act of 2006

The enactment of AB 32, "The California Global Warming Solutions Act of 2006" (Health & Safety Code §38500 et seq), established a comprehensive program of regulatory and market mechanisms to achieve quantifiable reductions of GHGs within the state. The ARB is the primary state agency responsible for developing and maintaining a statewide inventory of GHG emissions and for formulating plans and action steps to reduce current GHG emissions statewide to 1990 GHG emission levels by the year 2020. AB 32 defines GHGs as CO2, CH4, N2O, hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride.

From 2007 to 2009, the ARB promulgated several discrete early action measures to reduce GHG emissions prior to the full and final adoption of a plan to reduce aggregate California GHG emissions. Specifically, these discrete early action measures include (1) Green Ports/Electrification, (2) SmartWays truck efficiency, (3) PFCs in semiconductor manufacturing, (4) landfill gas capture, (5) tire inflation program, and (6) vehicle owner refrigerant (HFC-134e) servicing.

The Act instructs the ARB to establish a mandatory GHG reporting and verification program by January 1, 2008. In April 2008, the ARB finalized a regulation for the mandatory reporting of greenhouse gas emissions from major sources (ARB 2008c). In December 2008, the ARB approved the final Climate Change Proposed Scoping Plan ("Scoping Plan") which outlines the State's strategy for achieving the 2020 GHG emissions limit outlined under the law. The Scoping Plan includes recommendations for reducing GHG emissions from most sectors of the California economy.

On June 30, 2009, California was granted CAA waiver (42 U.S.C. §7543(a)) from EPA to regulate automotive tailpipe CO2 emissions. The ARB originally approved regulations to reduce GHG emissions from passenger vehicles in September 2004 based upon 2002 legislation, AB 1493 (Pavley). These regulations are expected to reduce passenger vehicle GHG emissions by approximately 22 percent in 2012 and 30 percent in 2016, while improving fuel efficiency and reducing motorists' costs.

In December 2009, the ARB promulgated a low carbon fuel standards (LCFS) in order to reduce the carbon intensity of transportation fuels used in California (i.e., gasoline, compressed natural gas (CNG), ethanol, liquefied natural gas (LNG), hydrogen, diesel, biodiesel, and electricity). It is expected that the LCFS will reduce carbon intensity from the use of such fuels by an average of 10 percent per year. Carbon intensity is a measure of the GHG emissions associated with the combination of all the steps in the "lifecycle" of a transportation fuel.

AB 32 requires the ARB to incorporate the standards and protocols developed by the California Climate Action Registry (CCAR) into the state's future GHG emissions reporting program, to the maximum extent feasible. The current GHG emission calculation methods used by CCAR are contained in *California Climate Action Registry—General Reporting Protocol,* Version 3.1, (CCAR 2009). This protocol categorizes GHG emission sources as either (1) direct (vehicles, on-site combustion, fugitive, and process emissions) or (2) indirect (from off-site electricity, steam, and co-generation).

Regulation for the Mandatory Reporting of Greenhouse Gas Emissions

As part of the AB 32 requirements, the ARB approved a mandatory GHG reporting regulation in December 2007, which became effective January 2009. The regulation requires operators of facilities in California that emit greater than 25,000 metric tons per year of CO2 from stationary combustion sources in any calendar year after 2007 to report these emissions on an annual basis. The existing SVLRC is subject to this regulation.

SB 97 – CEQA Guidelines for Greenhouse Gas Emissions

The Legislature also adopted Senate Bill 97 (SB 97) in 2007. Under SB 97, the State Office of Planning and Research (OPR) is required to develop CEQA guidelines *"for the mitigation* of *greenhouse gas emissions or the effects* of *greenhouse gas emissions* as *required by this division."* (Pub. Res. Code § 21083.05(a)).

OPR Technical Advisory - CEQA Review of Greenhouse Gases

On June 19, 2008, OPR issued a Technical Advisory, "CEQA AND CLIMATE CHANGE: Addressing Climate Change through California Environmental Quality Act" *(CEQA) Review),* to guide agencies before the final regulations are issued. This Technical Advisory noted:

> *Lead agencies should determine whether greenhouse gases may be generated by a proposed project, and if so, quantify or estimate the GHG emissions by type and source. Second, the lead agency must assess whether those emissions are individually or cumulatively significant. When assessing whether a project's effects on climate change are "cumulatively considerable"*

> *even though its GHG contribution may be individually limited, the lead agency must consider the impact of the project when viewed in connection with the effects of past, current, and probable future projects. Finally, if the lead agency determines that the GHG emissions from the project as proposed are potentially significant, it must investigate and implement ways to avoid, reduce, or otherwise mitigate the impacts of those emissions.*

The Technical Advisory also noted the scientific knowledge and understanding of how best to perform this analysis was still evolving. The OPR Technical Advisory also explained that:

> *We realize that perhaps the most difficult part of the climate change analysis will be the determination of significance. Although lead agencies typically rely on local or regional definitions of significance for most environmental issues, the global nature of climate change warrants investigation of a statewide threshold of significance for GHG emissions. To this end, OPR has asked ARB technical staff to recommend a method for setting thresholds which will encourage consistency and uniformity in the CEQA analysis of GHG emissions throughout the state. Until such time as state guidance is available on thresholds of significance for GHG emissions, we recommend the following approach to your CEQA analysis. Source: www.opr.ca.gov/download.php?dl=ceqa/pdfs/june08- ceqa.pdf.*
>
> > *California Natural Resources Agency (Resources Agency) Final Statement of Reasons for Regulatory Action; Amendments to State CEQA Guidelines Addressing Analysis and Mitigation of Greenhouse Gas Emissions Pursuant to SB 97 (December 2009)*

Following extensive public review and comment on the proposed amendments to the CEQA Guidelines to address environmental impact analysis and mitigation of GHG emissions, the Resources Agency adopted amendments to the CEQA Guidelines (Title 14, Cal. Code of Regs., § 15000 et seq.) to comply with the mandate set forth in Public Resources Code section 21083.05.

Thresholds of Significance

CEQA Guidelines:

Due to the global nature of the effects of GHG emissions, the primary CEQA concern with GHG emissions is the cumulative impact of a project's incremental GHG emissions when viewed in connection to past, current and probable future project GHG emissions.

According to GHG amendments to the CEQA Guidelines, each public agency that is a CEQA lead agency needs to develop its own approach to performing a climate

change analysis for projects that generate GHG emissions. A consistent approach should be applied for the analysis of all such projects, and the analysis must be based on best available information. For these projects, compliance with CEQA entails three basic steps:

- identify and quantify the GHG emissions;
- assess the significance of the impact on climate change; and
- if the impact is found to be significant, identify alternatives and/or mitigation measures that will reduce the impact below significance.

To date, in California, only a few public agencies have published CEQA thresholds of significance for project specific or cumulative anthropogenic GHG emissions. Moreover, how to address greenhouse gases under CEQA is evolving and fluid because formulating significance thresholds for CEQA purposes is especially problematic for GHG emissions. Unlike other air pollutant emissions that create impacts in local and regional air basins (i.e., air pollution nonattainment areas or toxic air contaminant hotspots), anthropogenic GHG emissions are implicated as a cause for *global climate change* regardless of their emission source or location. In addition, simply estimating GHG emissions from a specific project is not an adequate way to gauge the degree to which those emissions would contribute to global warming or climate change. Substantial additional scientific research and regulatory guidance are needed to determine whether a project's incremental GHG emissions impacts on climate change would be significant, and whether and how cumulative GHG emissions will affect global climate change.

The CEQA Guideline amendments provide guidance to public agencies regarding the analysis and mitigation of the effects of GHG emissions in draft CEQA documents. They do not, however, establish a specific threshold of significance. Public agencies are not required to adopt significance thresholds for any environmental issue area. The amendments do identify a general methodology for assessing the significance of impacts from project GHG emissions. Specifically, CEQA Guideline Section 15064.4 states:

"(a) The determination of the significance of greenhouse gas emissions calls for a careful judgment by the lead agency consistent with the provisions in section 15064. A lead agency should make a good-faith effort, based to the extent possible on scientific and factual data, to describe, calculate or estimate the amount of greenhouse gas emissions resulting from a project. A lead agency shall have discretion to determine, in the context of a particular project, whether to:

(1) Use a model or methodology to quantify greenhouse gas emissions resulting from a project, and which model or methodology to use. The lead agency has discretion to select the model it considers most appropriate provided it supports its decision with substantial evidence. The lead agency should

explain the limitations of the particular model or methodology selected for use; and/or

(2) Rely on a qualitative analysis or performance based standards.

(b) A lead agency should consider the following factors, among others, when assessing the significance of impacts from greenhouse gas emissions on the environment:

(1) The extent to which the project may increase or reduce greenhouse gas emissions as compared to the existing environmental setting;

(2) Whether the project emissions exceed a threshold of significance that the lead agency determines applies to the project.

(3) The extent to which the project complies with regulations or requirements adopted to implement a statewide, regional, or local plan for the reduction or mitigation of greenhouse gas emissions. Such requirements must be adopted by the relevant public agency through a public review process and must reduce or mitigate the project's incremental contribution of greenhouse gas emissions. If there is substantial evidence that the possible effects of a particular project are still cumulatively considerable notwithstanding compliance with the adopted regulations or requirements, an EIR must be prepared for the project."

These CEQA Guidelines amendments were adopted and became effective on March 18, 2010.

Air Pollution Control Agency GHG Thresholds:

Since the State CEQA Guidelines amendments were never intended to establish a uniform, widely accepted and adopted standard for determining the CEQA significance of project specific GHG emissions, the ARB and some local air pollution control districts, such as the SCAQMD, have been working to develop interim thresholds for evaluating GHG emissions. Both the ARB and SCAQMD prepared draft interim thresholds that would employ a tiered approach to determining significance.

In 2008, the ARB proposed an interim screening threshold of 7,000 metric tons (MT) CO2e per year for industrial, non–transportation emissions, as well as a threshold that would evaluate compliance with "performance standards" for transportation and construction activities. The ARB has never adopted their interim thresholds. Also in 2008, the SCAQMD Governing Board adopted an interim GHG significance threshold for stationary air pollution sources, rules, and plans where the SCAQMD is the lead agency for CEQA purposes. The SCAQMD adopted a 5-tier approach for their interim threshold that includes consideration of direct, indirect, and, to the

extent that information is available, life cycle emissions during project construction and operation. Construction emissions are amortized over the life of the project, defined as 30 years, and added to the operational emissions, which are then compared to the applicable interim GHG significance threshold tier. Tier 3 is a screening tier with a 10,000 MTCO2eq/yr threshold. It is based on the District's policy objective of capturing 90 percent of GHG emissions from new industrial projects where the SCAQMD is the CEQA lead agency. The SCAQMD has not adopted GHG significance thresholds for projects where other agencies are the lead agency.

Both the Bay Area Air Quality Management District (BAAQMD) and the San Joaquin Valley Air Pollution Control District (SJVAPCD), the next two largest air pollution control districts in California following the SCAQMD, have also developed recommended thresholds of significance for land use projects.

On June 2, 2010, the BAAQMD's Board of Directors unanimously adopted new and updated thresholds of significance to assist in the review of projects under the CEQA. The new thresholds included three set of thresholds for GHGs: one for projects where the district is the lead agency and two for land use development projects where other public agencies are the CEQA lead agencies.

The threshold for projects where the district is the CEQA lead agency is 10,000 MTCO2e/yr, the same as the SCAQMD's Tier 3 screening threshold. The GHG thresholds for projects where other agencies are the CEQA lead agencies include a project-level (*e.g.*, residential, commercial, industrial, and public land uses and facilities) threshold, and a plan-level (*e.g.*, general plans and specific plans) threshold.

The district's project level threshold is compliance with a Qualified Climate Action Plan, or a numeric threshold of 1,100 MT CO2e/yr, or a per capitia efficiency metric of 4.6 MT CO2e/SP/yr* (project residents + employees). The threshold for plans is compliance with a qualified climate action (or similar criteria included in a general plan) or a per capita metric of 6.6 MT CO2e/SP/yr (residents + employees).

However, on March 5, 2012 the Alameda County Superior Court issued a judgment finding that the BAAQMD had failed to comply with CEQA when it adopted its latest set CEQA thresholds for various air pollutants, including for GHG emissions. The court did not determine whether the thresholds were valid on their merits, but found that the adoption of the thresholds was a project under CEQA. The court thus issued a writ of mandate ordering the District to set aside the thresholds and cease dissemination of them until the District had complied with CEQA.
In view of the court's order, the District is no longer recommending their new and updated air pollutant thresholds, including their GHG thresholds, as generally applicable measures of a project's significant air quality impacts. Lead agencies within the District's boundaries will need to determine their own appropriate air

quality thresholds of significance based on substantial evidence in the record. They may, however, continue to use the District 1999 set of thresholds as they find applicable. However, those thresholds are only for criteria air pollutants and do not include thresholds for GHG emissions.

SJVAPCD has chosen a slightly different approach to the CEQA significance threshold for GHG emissions. On December 17, 2009, the District adopted the guidance document: Guidance for Valley Land-use Agencies in Addressing GHG Emission Impacts for New Projects under CEQA, and the accompanying policy document: District Policy – Addressing GHG Emission Impacts for Stationary Source Projects Under CEQA When Serving as the Lead Agency. The guidance and policy rely on the use of performance based standards, otherwise known as Best Performance Standards (BPS), to assess significance of project specific greenhouse gas emissions on global climate change during the environmental review process required by CEQA.

Use of BPS is a method of streamlining the CEQA process of determining significance and is not a required emission reduction measure. Projects implementing BPS would be determined to have a less than cumulatively significant impact. Otherwise, demonstration of a 29 percent reduction in GHG emissions, from business-as-usual, is required to determine that a project would have a less than cumulatively significant impact. The guidance, however, does not limit a lead agency's authority in establishing its own process and guidance for determining significance of project related impacts on global climate change.

On March 28, 2012, the San Luis Obispo Air Pollution Control District adopted CEQA greenhouse gas (GHG) emission thresholds for residential, commercial, and industrial projects. The thresholds were developed based on substantial evidence that adheres to the requirements of Senate Bill 97 in a consistent and defensible manner, and ensures new development is able to provide its fair share of GHG reductions to meet the State's AB 32 GHG reduction goals.

The district adopted a menu approach for residential/commercial land use projects as the most effective approach for assessing the GHG emission impacts for development projects in San Luis Obispo County. Any of the following three options may be used to determine the significance of a residential or commercial project's GHG emission impacts: 1) Qualitative GHG Reduction Strategies (e.g., Climate Action Plans); or, 2) Bright-Line Threshold (1,150 MT CO2e/yr); or: 3) Efficiency-Based Threshold (4.9 MT CO2e/service population/yr).

The Santa Barbara County Air Pollution Control District (SBAPCD) is developing GHG significance thresholds for projects where the district is the lead agency. Their proposed GHG threshold is 10,000 MTCO2eq/yr, the same as SCAQMD's Tier 3 screening threshold. To date, the District has not adopted its proposed GHG threshold.

The Ventura County Air Pollution Control District (VCAPCD) has not yet adopted any one of these approaches to setting a threshold of significance for land use development projects nor have they developed their own method of determining significance in the area of project GHG emissions. CEQA Guidelines §15064.7(c) states: *"When adopting thresholds of significance, a lead agency may consider thresholds of significance previously adopted or recommended by other public agencies or recommended by experts, provided the decision of the lead agency to adopt such thresholds is supported by substantial evidence."*

The recently adopted revisions to the State CEQA Guidelines, described above, added a new evaluation section for GHG emissions to the CEQA Guidelines initial study checklist (See Appendix G of the CEQA Guidelines). That section poses the following questions:

Would the project:

1. Generate GHG emissions, either directly or indirectly, that may have a significant impact on the environment?

2. Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing emissions of GHGs?

Given the explicit requirements of these revised State CEQA Guidelines, the County of Ventura has determined, with the assistance of VCAPCD, that it will use the following criterion to determine the potential environmental impact significance of proposed GHG emissions. This criterion was selected after an extensive review of (1) federal, state, and regional agency GHG regulatory thresholds and (2) GHG CEQA thresholds of significance being developed or adopted by local air quality agencies in California. Thus, for purpose of the County's processing of discretionary permit applications, the Threshold of Significance (i.e. the point where a project's contribution to the impact of global warming is cumulatively considerable) is as follows:

The project would generate GHG emissions (in CO2e) in excess of 10,000 metric tons per year.

This threshold criterion is consistent with CEQA significance threshold proposals in the SCAQMD, the VCAPCD, and the SBAPCD. Therefore, while not all local air quality districts have formally proposed or adopted this or any other threshold of significance for GHG emissions, it is considered a reasonably suitable threshold for this environmental impact analysis.

Thus, no change in the project, or in its circumstances, or new information regarding greenhouse gas emissions associated with the proposed project would cause new significant impacts or increased severity of impacts previously identified.

Public comment (documents):

At the March 21, 2013 Planning Director public hearing, the following documents were submitted as part of public testimony:

A. March 21, 2013 petition that requests an environmental impact report be prepared. (13 signatories)

B. March 21, 2013 letter to Kim Prillhart titled: "Reasons why Mirada's application for a modification of CUP 3319 should be denied" (Unsigned, submitted by David Feigin)

C. March 21, 2013 letter to Kim Prillhart from Marianne Radcliff.

D. March 21, 2013 letter to Kim Prillhart from D. Feigin and N. Greenfield.

A response to each of the comments submitted is provided below and numbered in correspondence with the attached marked copies on the letters.

Letter	Comment #	Response
A	1	The County does not have an outstanding violation identified for the Mirada Petroleum operation. It has been acknowledged by Mirada that an unauthorized section of Koenigstein Road has been used since the original access road was destroyed by flooding in 1995. This technical violation of CUP 3319 will be abated with the granting of the proposed modified CUP as Koenigstein Road will no longer be used as part of the Mirada Petroleum operation.
A	2	Refer to the discussion of cumulative impacts provided in item 3 above.
B	1	County staff was made aware by Mirada Petroleum of the use of the southern section of Koenigstein Road by oil transport trucks. The intersection of Koenigstein Road and Highway 150 was evaluated and determined to be safe for project traffic by the County Transportation Department. The technical violation of the CUP 3319 permit terms would be abated under the proposed modified permit because all Mirada traffic on Koenigstein Rd. would be eliminated. Note that a formal Zoning Violation complaint has not been filed and the County does not have an open violation case involving Mirada Petroleum.

		The issue raised in this comment does not identify any new potentially significant environmental effect. Thus, no change in the Addendum is required.
B	2	Compliance of conditionally-permitted uses with the terms of applicable CUPs was not regularly reviewed until the early 2000s when the County Board of Supervisors established a permit compliance program with dedicated staff. Since that time, each CUP is reviewed for compliance by County staff approximately every three years. There is no record of violations identified at the Mirada oil facilities. The issue raised in this comment does not identify any new potentially significant environmental effect. Thus, no change in the Addendum is required.
B	3	The County does not have a record of any formal complaint filed regarding the emanation of dust from the existing operation. In any case, the proposed project does not involve an increase in long-term truck traffic. Thus, no new effect on dust generation would occur. The temporary drilling activities would be subject to VCAPCD construction rules that minimize dust generation during construction. This comment does not identify any new potentially significant environmental effect. Thus, no change in the Addendum is required.
B	4	Refer to the clarified project description in this revised Addendum. There are only 1,650 barrels of tank volume to accommodate the produced fluids at the Harth and Nesbitt leases. As part of the proposed project, the 1,105 barrel tank volume currently on the Harth Lease drilling/production pad will continue to used. This comment does not identify any new potentially significant environmental effect. Thus, no change in the Addendum is required
B	5	In this section, the author cites Section 8111-2.2(b) of the NCZO which states "*all holders or owners of any other interests of record in the affected property shall be notified in writing of the permit application and invited to join as co-applicant.*" The situation referenced is the ownership of the surface rights to a 10-acre parcel (APN 040-0-010-355) by David Feigin and Nancy Greenfield (and formerly owned by Mr. James Findley and Mrs. Sita Findley) in the area of the Nesbitt lease. While they own the surface rights, they have no interest in the underlying mineral rights or the access easement across their parcel. The underlying mineral rights and the access easement are part of the original Mirada Petroleum application. Mirada Petroleum holds an easement to cross over the Feigin property

		to access the Nesbitt oil drilling/production site. The County Planning Director pursuant to Section 8101-4.10 of the NCZO has determined that they are not "owners" of the Mirada project and their signatures are not required on the Notice of Land Use Entitlement. A written Planning Director interpretation was provided to Mr. Feigin on March 21, 2013. This is similar to any other development that is connected to the public road system by a private access easement. The surface owner of a property that is crossed by an easement is not an owner of the remote property where the development is taking place. In this case, the development is taking place on other surface land and thousands of feet below the ground involving surface rights on other properties and underlying mineral rights for which Mr. Feigin and Ms. Greenfield have no interest. It is asserted in the letter that Mr. Feigin has been "excluded from material discussions and negotiations" and "he has been excluded" from "information for which he has a right under the law." County staff is unclear what "material discussions and negotiations" are referenced in this comment. Mr. Feigin has had access to County staff and the entirety of the case file on several occasions. All public information has made been available to Mr. Feigin and Ms. Greenfield. With regard to the noticing of the March 21, 2013 Planning Director public hearing, a notice was mailed by the County to each landowner of property located within 300 feet of the project property based on the records maintained by the County assessor. Mr. David Feigin attended the March 21, 2013 public hearing and testified that he had received the notice of the hearing.
B	6	The author suggests that any issue not expressly analyzed in the March 13, 2013 Staff Report was ignored by the County Planning Division. This is untrue. Staff reports do not list every policy in the County General Plan or every section of the Zoning Ordinance. Not all analysis by staff is recorded in writing. Representative policies are listed and discussed to demonstrate consistency with the General Plan and Ordinance.
B	7	Refer to the analysis of public comment issues provided in items 7 and 10 above.
B	8	The author suggests that any issue not expressly analyzed in the March 13, 2013 Staff Report was ignored by the County Planning Division. This is untrue. Staff reports do not list every policy in the County General Plan or every section of the Zoning Ordinance. Not all analysis by staff is recorded in writing. Representative policies are listed and discussed to demonstrate consistency with the General Plan and Ordinance. The letter quotes a policy that states "petroleum exploration and

		production shall comply with the requirements of the County Zoning Ordinance and standard conditions, and State laws and guidelines relating to oil and gas exploration and production." However, no information is provided to indicate that the Mirada project fails to meet this standard. The proposed project has been designed and conditioned to meet all County standards. The State Division of Oil, Gas and Geothermal Resources will enforce the State requirements. Oil spill prevention regulations are a matter of law. All oil producers must be in compliance with these regulations.
B	9	Refer to the response to public comment in item 5 above regarding hydraulic fracturing (fracking).
B	10	The proposed project involves the installation of nine new oil wells on an existing drilling/production pad. While long-term, oil wells are temporary facilities that are not occupied structures, such as homes or businesses, or other urban development. There is no substantial threat to the people involved with these facilities. In any case, the landslide threat to this existing oil production site would not change with the proposed project. Furthermore, there is no evidence of a severe or imminent landslide hazard that would affect the project site.
B	11	The abandonment of oil wells is within the jurisdiction of the California Division of Oil, Gas, and Geothermal Resources (DOGGR). Wells must be abandoned under permit from DOGGR and in accordance with State standards. With regard to "critical watershed", all new oil wells that require a discretionary permit must be reviewed for environmental effects in accordance with CEQA and must be constructed in accordance with DOGGR standards regardless of location.
B	12	Comment noted. Refer to responses to comment B13 through B17 below.
B	13	The NCZO requirements mentioned by the author are applicable to the Mirada Petroleum facilities whether or not they are listed in the conditions of approval.
B	14	The only mitigation measures identified in the MND involve air emission requirements. These measures have been superseded by the adopted VCAPCD Rules and Regulations and are monitored through the VCAPCD permit program. No new impacts or required mitigation measures have been identified for the current project that would be authorized by the requested modified permit. The VCAPCD permit program constitutes a mitigation monitoring program. Note that the requirement for a mitigation monitoring program was established in the 1990s, after the adoption of the MND. No new impacts or required mitigation measures are identified in the Addendum.
B	15	The Mirada Petroleum operation is subject to both the NCZO requirements and the conditions of approval. Condition of approval #5 requires compliance with all applicable Federal,

		State and local regulations including Section 8107 of the NCZO.
B	16	This section of the NCZO is applicable to the proposed project whether or not it is listed in the conditions of approval. Refer to response to comment B.15 above.
B	17	The provisions of the NCZO are applicable to the proposed project whether or not listed in the conditions of approval. Refer to response to comment B.15 above.
B	18	Refer to the response to comment B.5 above.
B	19	Staff did not include such a provision in the recommended conditions of approval because it is not necessary to avoid impacts or achieve consistency with a County policy. The recommended permit would have a 25-year effective period.
B	20	With the new standard format of conditions of approval currently used by the County, the "prior to Zoning Clearance" requirements are listed separately in the individual conditions of approval recommended for the current project.
B	21	Recommended condition of approval #5 requires the Permittee to comply with the requirements of other agencies.
B	22	The Permittee will be required to submit adequate plans consistent with the discretionary approval in order to obtain a Zoning Clearance to inaugurate the approved use.
B	23	The current language of the condition is adequate to obtain contact information from the Permittee.
B	24	The suggested condition is unnecessary to address any environmental impact or to assure consistency with any policy or ordinance. Any permit granted by the County is a matter of public record available to any party through the County Planning Division. It is the Permittee's responsibility to operate in conformance with permit conditions.
B	25	Refer to the response to comment B.15 above.
B	26	The statement in the March 13, 2013 staff report that the "property has been developed with oil and gas facilities" is accurate and does not imply that there are no other uses. In any case, Letter B and the submitted comment will be considered in making the decision on the proposed permit modification.
B	27	Refer to the response to comment B.11 above.
B	28	All of the proposed wells would be located on a single compact drilling pad. The County Planning Division currently has adequate information about the uses within 500 feet of this pad. In addition, with regular aerial photography and GIS upgrades, current information will be readily available in the future.
B	29	There are currently 5 operating wells within the CUP 3319 area. There is also one operating well on Federal land (ADP Federal Lease). Thus, there are currently 6 active wells associated with the Mirada Operation on the Nesbitt and Harth leases. The proposed project would add up to 9 more wells on the Harth Lease for a total of 14 wells in the CUP 3319 area. Under the current proposal, the 3 wells on the Nesbitt Lease would be

		abandoned. Two existing wells on the Harth Lease southern pad would remain. This would result in up to 11 wells operating within the CUP 3319 boundary. The ADP Federal Well would be a 12th well. There are two drilling pads on the Harth lease, one of which is accessed from Koenigstein Road. The facilities that are accessed from Koenigstein Road would be abandoned. The two active existing wells are on the drilling pad that would be used for the proposed new wells. The abandonment of these wells is not a part of the current application. Note that 2 exploratory wells were authorized under CUP 3319 but not drilled. The authorization to drill these two wells has expired.
B	30	The current use of the lower segment of Koenigstein Road to access the Nesbitt Lease is inconsistent with the terms of CUP 3319. This violation would be abated with the granting of the requested permit modification. Under the requested permit, all facilities accessed from Koenigstein Road would be abandoned. A future violation of the terms of the proposed permit cannot be assumed. Should a violation occur, be reported in a public complaint and confirmed, it would be addressed through code enforcement actions taken by the County.
B	31	Refer to the response to comment B.2 above.
B	32	The exhibits are adequate to analyze and understand the nature of the proposed project. The well site (an existing drill pad on the Harth Lease) involved with the current proposal is adequately described. The precise locations of all future wells on this pad are not required to be delineated at this time.
B	33	The application provided is adequate for County review of the proposed project. Based on the Responses to comments B.1 through B.33, there is no substantive basis to alter or reject the staff recommendation.
C	1	Refer to response to comment (public testimony) #3 above.
C	2	Refer to response to comment (public testimony) #3 above.
C	3	The County Planning Office has not observed a substantial increase in oil well permit applications. The County is unaware of any plans to drill 300 wells in the Sespe Oil Field. Refer to response to comment (public testimony) #3 above.
C	4	The violation referenced would be abated with the granting of the requested modified permit.
C	5	The proposed project is considered a minor change because no new potentially significant impacts have been identified and the project will be accommodated with existing facilities (i.e. drilling pad and access road). The adopted MND, as augmented by an

		Addendum prepared in accordance with CEQA Guidelines Section 15164, is the appropriate environmental document.
C	6	Regardless of the terms and conditions of approval of a Conditional Use Permit, the permittee may always ask for a modification. There is a constitutional right to petition the government and be provided due process. Similar to the current request, a future request to modify the permit may or may not be granted by the County.
C	7	Refer to responses to comment (public testimony) #7 and #10 above.
C	8	Refer to responses to comment (public testimony) #4 above.
C	9	Odors detected at or in the immediate vicinity of a remote private drilling/production facility, such as the Harth Lease pad, do not represent a significant impact on air quality. The County has received no complaints of odors associated with the Harth Lease site.
C	10	Refer to response to comment (public testimony) #10 above.
C	11	Refer to responses to comment (public testimony) #5 above. Note that the worker was killed in an oilfield undergoing an enhanced recovery process that uses steam injection. Such a process would require additional review and permits from the County and DOGGR.
C	12	This statement is inconsistent with the proposed Mirada Petroleum project. The current permitted level of truck traffic will not change with the proposed project.
C	13	Refer to response to comment (public testimony) #5 above.
C	14	Fluids produced from oil wells are prohibited by law from being discharged into surface runoff. Any loss of produced fluids to surface waters would involve enforcement actions by the Regional Water Quality Control Board. In any case, no evidence is provided that such an event would occur at the proposed drilling and production site.
C	15	Refer to response to comment (public testimony) #4 above. There is no evidence that the relatively minor volume of water needed for oil field activities would require new "offsite water facilities."
C	16	Refer to response to comments C.14 and #3 (public testimony) above.
C	17	Leaks of oil and gas at petroleum production facilities are rare but cannot entirely be prevented. The potential for leaks has been recently reduced by new State facility maintenance regulations implemented by DOGGR. Similar to the Thompson Oil case, leaks are generally quickly detected and stopped. This is not a new phenomenon and doesn't represent "new information relating to the significant effects of the project." There is no evidence that the proposed oil development will be inordinately susceptible to leaks such that Risk of Upset represents a potentially significant hazard and impact. Given the thousands of

		oil wells drilled in the Ventura area and the infrequency of leaks, it is not reasonably foreseeable that the nine wells proposed by Mirada represent a significant risk of upset.
C	18	Refer to responses to comments C.17, #7, and #10 above.
C	19	Refer to response to comment (public testimony) #3 above.
C	20	Refer to response to comment (public testimony) #3 above.
C	21	Refer to response to comment (public testimony) #5 above.
C	22	Refer to response to comment (public testimony) #4 above.
C	23	Refer to responses to comment (public testimony) #7 and #10 above.
C	24	Refer to responses to comments C.17, #3, #7, and #10 above.
D	1	Refer to response to comment B.5 above.
D	2	Refer to response to comment B.33 above.
D	3	Refer to response to comment B.5 above.

Summary of responses to public testimony and comment letters submitted at the March 21, 2013 public hearing

Taking into account the public comments and testimony provided at the March 21, 2013 Planning Director hearing, staff has determined that none of the conditions described in Section 15162 of the State CEQA Guidelines calling for the preparation of a subsequent EIR or negative declaration exist regarding the proposed project.

Thus, the existing MND as augmented by this revised Addendum constitutes the appropriate environmental document for the proposed project in accordance with CEQA Guidelines Section 15164.

In addition, the public testimony did not identify any inconsistency with the County General Plan or Non-Coastal Zoning Ordinance that would preclude approval of the project.

Prepared by:

Jay Dobrowalski, Case Planner
Commercial and Industrial Permit Section

Reviewed and amended by:

Brian R. Baca, Manager
Commercial and Industrial Permit Section

The Planning Director finds that this Addendum has been completed in compliance with the California Environmental Quality Act.

Kimberly L. Prillhart, Planning Director

Date

Attachments:

A. March 21, 2013 petition that requests an environmental impact report be prepared. (13 signatories) (marked copy)
B. March 21, 2013 letter to Kim Prillhart titled: "Reasons why Mirada's application for a modification of CUP 3319 should be denied" (Unsigned) (marked copy)
C. March 21, 2013 letter to Kim Prillhart from Marianne Radcliff. (marked copy)
D. March 21, 2013 letter to Kim Prillhart from D. Feigin and N. Greenfield. (marked copy)
E. March 13, 1985 Mitigated Negative Declaration for Argo Petroleum (CUP3319)
F. Site plan and aerial photographs of CUP 3319 area (3 sheets).

A.

March 21, 2013

Dear Plannning Division,

We support the issues raised in this attached document.

We respectfully request that you respond to each of the issues listed in the document and this hearing in full, in writing, within 7 calendar days of today, March 21, 2013, and that you do not approve application LU11-0041. We request that you mail copies of the updated staff report to those addresses listed below and make the report available publicly. Since the applicant has been, by his own admission, habitually and flagrantly violating the CUP, why expand the use under a CUP for an applicant who already has demonstrated disregard for the conditions placed on use? 1

We request that Mirada's application be denied as the large increase in the number of wells and the changes that have occurred since 1985 necessitate a more extensive review of the environmental impacts. As such, we believe the law requires an environmental impact report for this application. 2

Danny Everett
NAME

SIGNATURE

12695 Koenigstein Road, Santa Paula, CA 93060
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Marianne Ratcliff
NAME

SIGNATURE

14145 Ojai Rd., Santa Paula, CA 93060
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

DWIER BROWN
NAME

SIGNATURE

505 LARMIER AVE., OJAI CA 93022
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Etano Inesiken — Etano
NAME — SIGNATURE

— OJAI
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Nancy Greenfield — [signature]
NAME — SIGNATURE

311 Palomar Rd, Ojai CA 93023
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

DAVID FLYNN — [signature]
NAME — SIGNATURE

Jand
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

James Beket — [signature]
NAME — SIGNATURE

Ojai, CA
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

ANDREW K WHITMAN for JOHN WHITMAN — [signature]
NAME — SIGNATURE

KOENIGSTEIN RD. RESIDENT
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Valerie Levett — [signature]
NAME — SIGNATURE

11871 Koenigstein Rd Santa Paula, CA 93060
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Kit Stolz — [signature]
11871 Koenigstein Rd, Santa Paula CA 93060
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

March 21, 2013

Dear Plannning Division,

We support the issues raised in this attached document.

We respectfully request that you respond to each of the issues listed in the document and this hearing in full, in writing, within 7 calendar days of today, March 21, 2013, and that you do not approve application LU11-0041. We request that you mail copies of the updated staff report to those addresses listed below and make the report available publicly. Since the applicant has been, by his own admission, habitually and flagrantly violating the CUP, why expand the use under a CUP for an applicant who already has demonstrated disregard for the conditions placed on use?

We request that Mirada's application be denied as the large increase in the number of wells and the changes that have occurred since 1985 necessitate a more extensive review of the environmental impacts. As such, we believe the law requires an environmental impact report for this application.

P. FALK IC/MG _____ _____

NAME SIGNATURE

429 E. VIRGINIA SANTA PAULA CA

ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

_____ _____

NAME SIGNATURE

_____

ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

_____ _____

NAME SIGNATURE

_____

ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

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We request that Mirada's application be denied as the large increase in the number of wells and the changes that have occurred since 1985 necessitate a more extensive review of the environmental impacts. As such, we believe the law requires an environmental impact report for this application.

NAME _____ SIGNATURE _____

ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Richard Holly
NAME

SIGNATURE

Carol Holly
ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

Tracy Watson
NAME

SIGNATURE

ADDRESS (**OPTIONAL, including your address indicates that you request a mailed copy of the County's written response**)

B.

REASONS WHY MIRADA'S APPLICATION FOR A MODIFICATION OF CUP-3319 SHOULD BE DENIED

March 21, 2013

Kimberly Prillhart, AICP
Planning Director
Planning Department, County of Ventura
800 S. Victoria Ave. L-1740
Ventura, CA 93009-1740

Subject: CUP Modification Application LU11-0041 & Public Hearing, Sept. 21, 2013

This document is in reference to Planning Department application LU11-0041. The applicant is Mirada Petroleum, Inc. ("Mirada" or "Applicant"). Mirada is requesting an amendment to Conditional Use Permit ("CUP") 3319, as amended in 1992 ("CUP-3319 (1992)"). The applicant at the time of the 1992 amendment was Seneca Resources Corporation ("Seneca"). For the purposes of this letter, we will refer almost exclusively to Mirada when discussing CUP-3319.

Throughout the following document, for simplicity and ease of reading we have employed a number of short citations. A list of theses short citations is found at the end of this document, **Appendix A**, for your reference.

As you may or may not be aware, there are numerous residences very close to the project site, and many along the access roads currently used by Mirada for oil and gas exploration.

The case file on this CUP will show that a number of concerns have been raised by the public with Brian Baca and Jay Dobrowalski, both members of your staff, regarding Mirada's application to amend CUP-3319. However, your staff (collectively referred to as "the Staff" or "the staff") has been unable to provide sufficient answers to numerous written questions and have not adequately responded to these public concerns. They have filed their latest recommendation regarding the amendment application, in the form of the staff report for today's hearing ("Mar. '13 Staff Report"), despite the following errors, omissions and oversights. Mirada's application for a modification to CUP-3319 should be denied because (1) Mirada has failed to conform to the previously imposed conditions of the CUP as amended in 1992 "CUP-3319 (1992)," (2) the application as submitted and processed has failed to conform with the notice requirements as required by the Ventura County Non-Coastal Zoning Ordinance ("NCZO") and the Government Code, (3) the proposed amendments and conditions, as drafted by the Staff, fail to conform with the NCZO, the Ventura County General Plan ("General Plan"), and (4) the March '13 Staff Report contains insufficient, inaccurate and/or incomplete information by which your Staff has reached their conclusion to recommend the application and the CUP conditions described in the March '13 Staff Report.

It is respectfully requested that you provide a public, written response, in the form of an amendmend Staff Report that is mailed to each of the undersigned below who provided mailing addresses and is made publicly available, to each of the issues listed below, in full, within 7 calendar days of the public hearing on this application (i.e., March 21, 2013) and that you do not approve application LU11-0041. Another public hearing must occur if you and your Staff, jointly, provide comment as to all of the following points.

I. Mirada's Application for a modification to CUP-3319 (1992) should be denied because Mirada has failed to conform to the existing conditions of CUP-3319 (as amended in 1992), and the Ventura County Non-Coastal Zoning Ordinance ("NCZO")

Section 8111 of the NCZO governs the process and procedures for processing land use entitlements. Entitlements include "modification, suspension, or revocation of any permit".[1] An entitlement application shall not be accepted "unless [the application] conforms to the requirements of this Chapter" and "contains in a full, true and correct form the requirement materials and information prescribed by the forms supplied by the Ventura County Planning Division."[2]

Mirada's application does not contain "full, true and correct" information to support the application because Mirada has not reported to Staff that they are in violation of the previously granted and amended CUP-3319.

A. **Failure to Comply with Condition 31: Designated Truck Traffic Access Route and the Transporting of the Oil, Gas and Waste Products, CUP-3319 (1992)**

This condition requires that "truck traffic over 3/4 ton shall not use Koenigstein Road as an access road from Highway 150 to the subject sites."[3] Further, since 1978, the CUP has required that the intersection of "State Highway 150 and Koenigstein Road shall not be used by trucks traveling to or from drill sites for CUP-3319."[4]

In April 1993, following the approved CUP-3319 amendment, Mirada (then Seneca) requested that government officials with Ventura County ("the County") allow them to use Koenigstein Road as an alternative route for oil production because the road access they were permitted to use according to CUP-3319 (1992), Sisar Creek), was damaged. Their request was denied and Seneca was informed that use of Koenigstein Road would require modification to the CUP. Mirada has continued for 17 years, to use Koenigstein Road in violation of CUP-3319 (1992). The County had every reason to believe that Mirada fully intended to repair the Sisar Creek crossing and remain in compliance with CUP-3319

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B. **Failure to comply with Condition 43, "Compatibility Review," CUP-3319 (1992)**

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[1] Sec. 8111-0, NCZO at 251.
[2] Sec. 8111-2.1, NCZO at 258.
[3] Conditions for CUP-3319, Jan. 21, 1992 at 8.
[4] Letter from Victor R. Husbands, Director, Building & Planning Services, Enviromental Resource Agency to Mr. Dick Berger, Geologist, Argo Petroleum Corporation, dated March 24, 1978.

This condition requires that "[e]very tenth year from the date of permit approval, the permit shall be reviewed by the Planning Director at the permittee's expense." The burden falls to the permittee to "initiate the review by filing an application for said review and paying the deposit fee then applicable."[5] There is no note in any of the three Staff Reports that indicate that Mirada made timely requests for review in 2002 or in 2012, nor do any of the Staff Reports indicate that a review subject to condition 43 was initiated or performed in 2002 or in 2012, or at any time determined by the Staff as being required under Condition 43. 2

C. **Failure to Comply with Dust Requirements, CUP-3319 (1992)**

"[A]ll roads or hauling routes located within the area encompassed by this permit shall be oiled or otherwise treated as necessary to prevent the emanation of dust." The roads have not been oiled in years. 3

D. **Failure to Comply with Section 30, "Shipping Tanks," CUP-3319 (1992)**

According to CUP-3319 (1992), "[a]ny production shipping tank(s) installed on the subject permit site shall have a collective rated capacity of not more than 2,000 barrels per site."[6] The NCZO defines a "site" as "[o]ne or more lots planned and developed as a unit under one permit."[7] According to the March '13 Staff Report, the permit site contains tanks with a collective rated capacity of 2,450 barrels.[8] 4

In light of the requirements of the NCZO and in light of the above, you should reject the recommendations of your staff in their March '13 Staff Report and reject Mirada's application for a modification to CUP-3319 (1992).

II. Mirada's application for a modification to CUP-3319 (1992) should be denied because the application has not conformed with notice requirements

Section 8111 of the NCZO governs the process and procedures for processing land use entitlements. Entitlements include "modification, suspension, or revocation of any permit."[9] An entitlement application shall not be accepted "unless [the application] conforms to the requirements of this Chapter" and "contains in a full, true and correct form the requirement materials and information prescribed by the forms supplied by the Ventura County Planning Division."[10] 5

According to Sec. 8111-2.2(b) of the NCZO, "[a]ll holders or owners of any other interests of record in the affected property shall be notified in writing of the permit

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[5] Conditions for CUP-3319, Jan. 21, 1992 at 11.
[6] Conditions of CUP-3319, Jan. 1992, at 7.
[7] NCZO at 26.
[8] Two 250 bbl tanks, one 1,000bbl tank, one 500 bbl tank, one 200 bbl tank, one 150 bbl tank, and one 100 bbl tank. The County states that the 500 bbl tank is "used for parts," but does not state how it reaches this conclusion. The diagrams do not indicate that the 500 bbl tank is for parts only.
[9] Sec. 8111-0, NCZO at 251.
[10] Sec. 8111-2.1, NCZO at 258.

application and invited to join as co-applicant."[11] Further, notice of a public hearing involving a discretionary permit must be mailed, postage prepaid, to the "owner of the subject property" and "owners of all real property situated within a radius of 300 feet of the exterior boundaries of the Assessor's Parcel(s)" pursuant to both NCZO Sec. 8111-3.1.3 and California Government Code Section 65091.

Section 10 of CUP-3319 (1992) requires that Mirada inform the County of any ownership changes related to the site properties: "No later than ten days after any change of property ownership...there shall be filed with the Planning Director the name(s) and address(es) of the new owner(s)...together with a letter from any such person(s) acknowledging and agreeing to comply with all conditions of this permit." Further, CUP-3319 (1992) requires "amendments and updates of all the applicable materials required pursuant to Condition Nos. (8, 9, 15, 16, 19, 22) shall also be submitted at the same time."

The County has failed to maintain complete and accurate records as to the owners of the properties that comprise the project site location for CUP 3319. Further, notice was not mailed to covered persons as required by both NCZO Sec. 8111-2.2(b) and NCZO Sec. 8111-3.1.3, and an offer to join the proceedings was not extended to covered persons pursuant to NCZO Sec. 8111-2.2(b). Finally, Mirada violated a condition of CUP-3319 (1992) by failing to provide proper notice to the County regarding a property change of ownership.

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According to the March '13 Staff Report, the "Project Site Location" covers three APNs: 040-0-010-345, 040-0-010-355, and 040-0-010-225. The owner of 040-0-010-355 is the Feigin Trust, and the trustees of the Feigin Trust are David Feigin and Dr. Nancy Greenfield (Feigin). Prior to August 2012, the owners of 040-0-010-345 were James P. Findley and Sita D. Findley. Mirada did notify the County of this ownership change within the parameters required pursuant to Section 10 of CUP-3319 (1992); the Feigin Trust is listed as the owner of 040-0-010-355 with the County of Ventura's Assessor's Office.

Despite recognizing 040-0-010-355 as a covered property in the "Project Site Location" section of the March '13 Staff Report, the County failed to update the "Property Owner" section of the March '13 Staff Report Negative Declaration to reflect the change of ownership to the Feigin Trust; the Negative Declaration still refers to the owners as Mr. and Mrs. Findley. Further, the County failed to include the Feigin Trust as a property owner on the first page of the March '13 Staff Report, section A.2. Finally, the County has yet to discuss with Mr. Feigin or Dr. Greenfield the requirement that they will need to complete, sign and notarize a Notice of Land Use Entitlement.

Neither Mr. Feigin nor Dr. Greenfield nor Mr. Findley nor Mrs. Findley received any notification regarding the application for the Proposed Amendment, nor did any of the four receive an invitation "to join as co-applicant." Neither Mr. Feigin nor Dr. Greenfield received notice required by NCZO Sec. 8111-3.1.3 of today's hearing.

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[11] Sec. 8111-2.2(b), NCZO at 258.

Finally, Mirada did not inform the County within ten days of the change of ownership of 040-0-010-355 from the Findleys to the Feigins in August 2012.

Further, the application itself is incomplete according to the NCZO. Sec. 8111-2.2 of the NCZO states "[r]egardless of who is the applicant, the property owner shall sign the application." Neither Mr. Feigin nor Dr. Greenfield have signed any application.

In prior communications with Mr. Feigin, the Staff stated that they did not consider Mr. Feigin to be a property owner for the purposes of the CUP, despite owning APN 040-0-010-355, which is part of the project site location. The Staff has provided no justification as to this conclusion, neither in writing nor orally, despite being questioned on this topic numerous times. The Staff wrote to Mr. Feigin that they would provide their conculsion and support in writing to Mr. Feigin prior to today's meeting. This was communicated to Mr. Feigin by way of an email sent from Brian Baca to David Feigin and Jay Dobrowalski on October 15, 2012:

> As explained to you by the Planning Director, you are not the "property owner" for purposes of filing the Notice of Land Use Entitlement. A written explanation will be provided to you prior to the Planning Director hearing on the revised Mirada application.

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Despite this promise, the County has provided no written justification for the erroneous conclusion that Mr. Feigin is not a property owner for the purposes of any part of the entitlement process has been provided. First, the March 2013 Staff Report uses "property owner" synonymously with "surface owner," of which the Feigin Trust is most certainly.

Second, the Feigin Trust has the right to possess, use and convey 040-0-010-355. Neither the NCZO nor the Ventura County General Plan define "property owner." Whether or not 040-0-010-355 is encumbered by any easements is disputed. However, were 040-0-010-355 to be encumbered by an easement, that easement does not limit the Feigin Trust's right to possess, use and convey the property and an owner may have parted with some interest in the property ("as by granting an easement or making a lease") and yet remain the owner of the property.[12] Black's Law Dictionary does not define an easement as "property," instead referring to it as an "interest." An easement, including a type of easement commonly referred to as a right-of-way agreement, is an interest in land owned by another person and it does not give the easement holder the right to possess or sell the land.[13] An easement is not owners rights. Furthermore, there is no oil drilling on the Feigin property or under the Feigin property, so Mineral Rights and the owner of these righrts are irrelevant to this issue.

The County is, of course, free to interpret "property owner" as broadly as they would like. They are free to also include the owner of the mineral rights, or perhaps owners of easements (not property owners, but rights owners). The County is not, however, able to exclude rightful property owners from their part in this process. To argue that mineral rights owners or easement holders should also be included but that property owners are

[12] Black's Law Dictionary, 9th Ed. (2010).
[13] Black's Law Dictionary, 9th Ed. (2010).

excluded is unreasonable and has no basis is law or fact. Again, feel free to include more property owners than there are, but you cannot exclude the surface owners from the process--especially not when your Staff makes it clear to the public in the March '13 Staff Report that "property owner" is synonymous with "surface owner," and in the same report the prior owner of Mr. Feigin's property is listed as a property owner.

According to the NCZO, "[s]hould the permittee fail to comply with applicable requirements, the property owner and his successors in interest are responsible for such compliance."[14] Further, Sec. 8111-8.2 – Acceptance of Permit Conditions requires that "The inauguration of a use, construction of a structure, grading, or other preliminary site work, authorized or unauthorized, to establish a use for which an entitlement has been granted, shall constitute acceptance by the permittee and property owner of the conditions imposed on entitlements issued for such use or structure."[15] Mr. Feigin and Ms. Greenfield have been repeatedly excluded from material discussions and negotiations over the Proposed Amendments. Mr. Feigin has repeatedly asked to be involved to protect his interests, but also coming to the discussion with a reasonable levelheaded outlook and understanding of the business mentality. Despite Mr. Feigin's reasonable attempts to obtain information for which he has a right to under the law, he has been excluded. And yet, despite the Staff and the County's repeated attempts to dodge this issue and to play games with Mr. Feigin and Dr. Greenfields liability on this matter, the matter remains. Mr. Feigin and Dr. Greenfield must be provided a candid, open and complete written explanation from you regarding the issue of liability pursuant to NCZO 8111, and they must be given the written explanation and indemnification from liability that your Staff and Mirada have promised them. 5.

As Mr. Feigin and Dr. Greenfield are covered property owners, as mentioned above, their signature will be required on the Notice of Land Use Entitlement, pursuant to NCZO 8111-8.3. The project cannot proceed without Mr. Feigin and Dr. Greenfields signature. Mr. Feigin and Dr. Greenfield do not give their consent, at this time, to the Proposed Amendments and they do not accept they are in any way responsible for compliance with all applicable regulations and permit conditions.

In light of the above, you should reject the recommendations of your staff in their March '13 Staff Report and reject Mirada's application for a modification to CUP-3319 (1992).

III. Mirada's application for a modification to CUP-3319 (1992) should be denied because it is inconsistent with the Ventura County General Plan and the Ventura County Non-Coastal Zoning Ordinance

A CUP may only be granted "if all of the following standards...are met, or if such conditions and limitations, including time limits, as the decision-making authority deems necessary, are imposed to allow the standards to be met."[16] These standards include, among others, that the project be "consistent with the intent and provisions of the County's General Plan and of Division 8, Chapters 1 and 2, of the Ventura County

[14] Sec 8111-8.1 Responsibility for Compliance with Regulations and Permit Conditions, NCZO at 270.
[15] Sec 8111-8.2 – Acceptance of Permit Conditions, NCZO at 270.
[16] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.

Ordinance Code," and that "[t]he proposed development would not be detrimental to the public interest, health, safety, convenience, or welfare."[17] Further, the burden of proof that these standards have been met rests with the applicant.[18] The decision-making body must arrive at "[s]pecific factual findings" that "support the conclusion that each of these standards, if applicable, can be satisfied."[19]

A. **Compliance with the Ventura County General Plan**

According to the NCZO, consistency with the General Plan entails "[c]ompatability and agreement with the General Plan of the County of Ventura. Consistency exists when the standards and criteria of the Ventura County General Plan are met or exceeded."[20] Further, Section C of the March '13 Staff Report, entitled "CONSISTENCY WITH THE GENERAL PLAN," states that permits "must be consistent with the Ventura County General Plan Goals, Policies and Programs" and that according to NCZO Sec. 8111.1.2.1.1.a a CUP can only be approved if it is found to be consistent with all applicable policies of the General Plan. Although the March '13 Staff Report cites a few policy excerpts from the General Plan, the Staff fails to review the General Plan as a whole and proceeds to recommend the approval of a CUP modification application in flagrant violation of the General Plan. 6

1. Air quality

All CUP applications must be considered in light of both individual and cumulative environmental impact: "All General Plan amendments, zone changes, and discretionary developments shall be evaluated for their individual and cumulative impacts on access to and extraction of recognized mineral resources, in compliance with the California Environmental Quality Act."[21] According to the General Plan, "[u]nder both federal and state Clean Air Acts, the County is a "severe" (worst category) nonattainment area."[22] The County addresses its responsibility to improve air quality in the Ventura County Air Quality Management Plan (2007). The Air Quality Plan states, 7

> As a severe ozone nonattainment area, Ventura County must meet many of the most stringent requirements of the CCAA. Key CCAA requirements for severe ozone areas are:
>
> 1. a permitting program designed to mitigate emission increases from new or modified permitted sources;
>
> 2. application of best available retrofit control technology (BARCT) for existing sources; . . .

[17] Sec. 8111-1.2.1.1(a) and (d).
[18] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.
[19] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.
[20] NCZO at 15.
[21] General Plan at 9 and 15.
[22] General Plan at 9.

3. reducing population exposure to unhealthful levels of air pollution[23]

The General Plan lays out two goals the County has adopted to improve its air quality classification: to (1) "[d]iligently seek and promote a level of air quality that protects public health, safety, and welfare, and seek to attain and maintain the State and Federal Ambient Air Quality standards," and (2) "[e]nsure that any adverse air quality impacts, both long-term and short-term, resulting from discretionary development are mitigated the maximum extent feasible."[24]

The Staff's granting of a CUP is a discretionary decision.[25] One of the air quality goals of the General Plan is to ensure that the impact of discretionary developments on air quality (i.e., those that are the subject of a discretionary decision, such as a CUP and an application for a modification to a CUP) "are mitigated [to] the maximum extent feasible."[26] The March '13 Staff Report does not sufficiently address the project's air quality impact in light of the county's General Plan.

Although the Staff noted in the March '13 Staff Report that "[n]o new substantial environmental impacts are anticipated with the use of the existing pad," the same air quality concerns that were raised in 1985 exist today, but on a much larger scale and with increasing acuteness. As noted in the General Plan, the concerns regarding air quality as an issue at the county level have dramatically increased, and the technological advancements in the nearly thirty years since the Initial Study Checklist have made the industry nearly unrecognizable. It is imperative that the County apply contemporary standards, and to so with a cumulative outlook.

When the Mitigated Negative Declaration was issued in 1985 ("MND 1985"), it included a "mitigation measure to mitigate the project impacts to air quality to a less than significant level."[27] Merely lowering the impact to a "less than significant level" is not consistent within the county's current General Plan.

Mirada's request to modify CUP-3319 (1992) opens these issues. Applicant is asking that the County reconsider the issues that are part of the process that the County, by law, is required to perform. The process of applying for a modification to the CUP raises

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[23] Air Quality Plan at 8.
[24] General Plan at 10.
[25] "A Conditional Use Permit is a permit based upon a discretionary decision required prior to initiation of particular uses not allowed as a matter of right." Sec. 8111-1.2.1(b), NCZO at 254. See also, NCZO at 10, "Discretionary decisions require the exercise of judgment, deliberation, or decision on the part of the decision-making authority in the process of approving or disapproving a particular activity, as distinguished from situations where the decision-making authority merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations."
General Plan at 146. "Discretionary Development: Any development proposal, project or permit which requires the exercise of judgment, deliberation, or decision on the part of the decision-making authority in the process of approving or disapproving a particular activity, as distinguished from situations where the decision-making authority merely has to determine whether there has been conformity with applicable statutes, ordinances, or regulations."
[26] General Plan at 10.
[27] March 2013 Staff Report MND - Addendum, at 3.

these issues; we are not raising these issues out of the blue—Mirada is asking that the County reconsider their permit, and this is part of that process.

The Staff mentions in the MND -- Addendum that is included in the March '13 Staff Report ("Proposed MND") that "[t]he proposed project will be subject to current Air Pollution Control District Rules and Regulations which are stricter standards than those that were analyzed in the MND. The current Rules and Regulations render the MND mitigation measure unnecessary." First, a heightened general standard does not render any MND mitigation measure unnecessary. Second, even if the Air Pollution Control District Rules and Regulations are stricter than those that were analyzed in the 1985 MND, the Air Pollution Control District Rules are not as strict as those policies that Mirada's application is subject to under the General Plan as a discretionary development. The General Plan makes it clear that discretionary developments must meet a higher standard.

The General Plan requires that a "[d]iscretionary development that would have a significant adverse air quality impact shall only be approved if it is conditioned with all reasonable mitigation measures to avoid, minimize or compensate (offset) for the air quality impact. Developers shall be encouraged to employ innovative methods and technologies to minimize air pollution impacts."[28] This heightened standard—as required by the General Plan—is not addressed at all by the Staff in the March '13 Staff Report. Further, "[w]here deemed necessary by the APCD, discretionary development shall be conditioned to develop, implement, and maintain over time, Transportation Demand Management (TDM) programs consistent with APCD's trip reduction rule 210. TDM programs shall include a requirement for annual performance reporting to and approval by the APCD." Although the Staff does include a section in the Proposed Amendment Conditions entitled "Air Pollution Control District (APCD) Conditions)" in the March '13 Staff Report, there is no indication that the Staff discussed the possible requirements of this discretionary development with the staff of the Air Pollution Control District. 7

Although the General Plan goals "may not always be attainable in an absolute sense,"[29] the air quality goals in the General Plan specifically indicate that constraints on and County considerations of issues that arise from discretionary developments are key areas to focus on to help Ventura County improve its air quality.

In reviewing the 1985 MND, the Staff addressed the requirements of Sec. 15162(a)(3)(A) but failed to discuss their consideration of Sec. 15162(a)(3)(C). In light of the General Plan's express goal that air quality impacts stemming from discretionary developments be mitigated to the "maximum extent feasible," the Staff should consider whether or not mitigation measures or alternatives that were not previously found to be feasible under the MND are now available and investigate as to whether or not the Applicant has or is willing to adopt these measures.

2. Restrictions on modifications of existing petroleum permits 8

[28] Sec. 1.2.2 Policies, General Plan at 10.
[29] General Plan at 4.

As part of the County's goals regarding mineral resources, the County has adopted the following policy: "As existing petroleum permits are modified, they shall be conditioned so that production will be subject to appropriate environmental and jurisdictional review."[30] As drafted, the conditions on the permit are insufficient in light of the County's policy that "[p]etroleum exploration and production shall comply with the requirements of the County Zoning Ordinance and standard conditions, and State laws and guidelines relating to oil and gas exploration and production."[31] For example, although this is not the only case where the staff reports fail to address these policies, the staff reports do not discuss the County's consideration of oil spill prevention regulations, as required by the General Plan. "The County's Planning Division shall review and analyze all permit applications for compliance with local, state and federal oil spill prevention regulations."[32] The March '13 Staff Report discloses that the Planning Division failed to review and analyze the application for compliance with local, state and federal oil spill prevention regulations. Proposed Amendment Condition number 23"Wate Handling and Containment of Contaminants" makes it clear that Mirada has yet to provide the Planning Division information with respect to their plan for controlling oil spills; moreover, the Planning Division is not making the approval contingent upon obtaining this information. This is in violation of the General Plan's requirement. 8

Further, the Ventura County Board of Supervisors is expecting a report on material factors when considering hydraulic fracturing (also known as hydrofracturing or fracking) in April 2013. Fracking is not an academic issue for the Mirada application. According to publicly-available well reports on Mirada's current operations, fracking has been used on at least one well within the project.[33] In light of the General Plan's requirement that petroleum production should be subject to appropriate environmental review, it is in the best interests of county residents and the County to postpone approving the application until the Staff has had sufficient time to review, consider and make public their conclusions as to the report's ramifications on Mirada's application. 9

3. Landslides/Mudslides

"Almost all sites with potential for landslides/mudslides lie within the hillside and coastal areas of Ventura County. Many slopes in the County are only marginally stable and landsliding could occur."[34] The project property in all or in part is "in an area of earthquake-induced land sliding designated pursuant to the Seismic Hazard Mapping Act."[35] Even though part of the project area is known to be in an area of earthquake-induced landslides, "[t]he hazard from landsliding is also considered to exist within the areas of the County that were developed prior to present-day grading and building codes. The level of hazard cannot readily be determined without detailed investigation of individual sites."[36] According to the General Plan, "[d]evelopment in mapped 10

[30] General Plan at 15.
[31] General Plan at 15.
[32] General Plan at 43.
[33] See Divions of Oil, Gas, and Geothermal Resources, 11120506_DATA_01-19-2007.pdf, pg. 9.
[34] General Plan at 34.
[35] Summary of Natural Hazard Disclosures, FANHD Residential Property Disclosure Reports, The Natural Hazard Disclosure Report, 12610 Koenigstein Road, Santa Paula, Ventura County, California.
[36] General Plan at 34.

landslide/mudslide hazard areas shall not be permitted unless adequate geotechnical engineering investigations are performed, and appropriate and sufficient safeguards are incorporated into the project design."(emphasis in original).[37] The Proposed Amendment Conditions do not address or discuss this heightened risk of landslides and do not include conditions that are necessary to conform with the Landslide related goals of the General Plan. In particular, no required geotechnical engineering investigation has been performed. 10

4. Natural water

The General Plan requires the County to adopt a policy that "[a]ll discretionary development shall be conditioned for the proper drilling and construction of new oil, gas and water wells and destruction of all abandoned wells on-site."[38] This policy is in place to protect the scarce and precious natural water in Ventura County.[39] The conditions previously imposed on CUP-3319 (1992) were insufficient to ensure the proper destruction of the abandoned wells because the County does not know the number of existing, abandoned and proposed wells, as discussed below. 11

CUP-3319 (1992) requires that "prior to commencement of any drilling the permittee shall inquire of the Ventura County Health Department if the land for which this permit is issued, or any portion thereof, is located within a critical watershed area."[40] This provision must be taken into account within the current Proposed Amended Conditions.

B. **Compliance with the NCZO**

According to the NCZO, "[n]o oil or gas exploration or production related use may commence without or be inconsistent with a Conditional Use Permit approved pursuant to this Chapter."[41] The NCZO "automatically impose[s]" the requirements contained in Section 8107-5 et seq. that address oil development guidelines by way of permit conditions. "Such provisions shall be imposed in the form of permit conditions when permits are issued for new development or for existing wells/facilities without permits, or when existing permits are modified."[42] If these required provisions are not included in the conditions to the CUP, then the CUP does not conform with the NCZO. The Application is inconsistent with the NCZO for the following reasons: 12

1. Site Maintenance

The "site maintenance" requirement pursuant to Sec. 8107-5.6.10 are more stringent than those provided for in the CUP Conditions. For example, part of Mirada's application includes "shutting in" wells on the Nesbitt site. However, Proposed Condition number 2 "Site Maintenance" does not include the provisions that are required by the NCZO that "[i]f the well has been suspended, idled or shut-in for 30 days, as determined by the 13

[37] General Plan at 34.
[38] General Plan at 13.
[39] See generally, General Plan at 11-13.
[40] Condition 15, Additional Standard Conditions for Oil and Gas Production, Resolution No. 72-2.
[41] Sec. 8107-5.4 - Required Permits, NCZO at 100.
[42] Sec. 8107-5.2 - Application, NCZO at 100,

Division of Oil and Gas, all such equipment and materials shall be removed within 90 days."[43] Further specific maintenance requirements are included in the NCZO and absent in the proposed conditions. For example, "[t]he permit area shall be maintained in a neat and orderly manner so as not to create any hazardous or unsightly conditions such as debris; pools of oil, water, or other liquids; weeds; brush; and trash."[44] There is no discussion in the March '13 Staff Report as to the County's rationale for excluding these NCZO requirements from Mirada's permit. 13

2. Mitigation and Monitoring or Reporting Program (CEQA 21081.6)

According to the Governor's Office of Planning and Research, "[p]ursuant to subdivision (a), whenever a public agency either: (1) adopts a mitigated negative declaration, or (2) completes an EIR and makes a finding pursuant to Section 21081(a) of the Public Resources Code taking responsibility for mitigation identified in the EIR, the agency must adopt a program of monitoring or reporting which will ensure that mitigation measures are complied with during implementation of the project."[45] Further, Subdivision (b) of Section 21081.6 requires that mitigation measures be "fully enforceable through permit conditions, agreements, or other measures."[46] There is no discussion in either the Proposed Amended Conditions or the March '13 Staff Report regarding monitoring of the mitigation steps required in the original MND and, therefore, adopted in the Addendum. 14

3. Reporting of Accidents

NCZO Sec. 8107-5.6.8 requires that, in the event of "fires, spills, or hazardous conditions not incidental to the normal operations at the permit site" that the permitee "immediately notify the Planning Director and Fire Department and all other applicable agencies."[47] However, the Proposed Amendment Conditions only require that the permittee notify the Planning Director. This requirement does not meet the minimum requirements of NCZO Sec. 8107-5.6.8. 15

4. Waste Handling and Containment

Section 8107-5.6.4 of the NCZO requires that, "[o]il, produced water, drilling fluids, cuttings and other contaminants associated with the drilling, production, storage and transport of oil shall be contained on the site unless properly transported off-site, injected into a well, treated or re- used in an approved manner on-site or if allowed, off-site."[48] This requirement is not included in the Proposed Conditions. 16

5. Additional Provisions 17

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[43] Sec. 8107-5.6.10, NCZO at 104.
[44] Sec. 8107-5.6.10, NCZO at 104.
[45] Programs Required by Section 21081.6, State of California, Governor's Office of Planning and Research, available at http://ceres.ca.gov/ceqa/more/tas/CEQA_Mitigation/page2.html#programs.
[46] Programs Required by Section 21081.6, State of California, Governor's Office of Planning and Research, available at http://ceres.ca.gov/ceqa/more/tas/CEQA_Mitigation/page2.html#programs.
[47] Sec. 8107-5.6.8, NCZO at 104.
[48] Sec. 8107-5.6.4, NCZO at 103.

The March '13 Staff Report, which includes the Proposed Amendment Conditions, does not describe the Staff's consideration(s) of the following NCZO requirements and, if applicable, the steps Mirada will take to conform with these requirements.

a. **Sec. 8107-5.5.1:** "Permit areas and drill sites should generally coincide and should only be as large as necessary to accommodate typical drilling and production equipment."

b. **Sec. 8107-5.5.2:** "The number of drill sites in an area should be minimized by using centralized drill sites, directional drilling and other techniques."

c. **Sec. 8107-5.5.10:** "Lighting should be kept to a minimum to approximate normal nighttime light levels."

d. **Sec. 8107-5.5.11:** "In the design of new or modified oil and gas production facilities, best accepted practices in drilling and production methods should be utilized, if capable of reducing factors of nuisance and annoyance."

e. Although the CUP mentions that the ADP Well is not under the requirements of the CUP, the staff report should make note of the following nonetheless: "[Section 8107-5 et seq.] shall apply to any oil and gas exploration...upon Federally owned lands for which no land use permit is required by Ventura County."[49]

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In light of the above, you should reject the recommendations of your staff in their March '13 Staff Report and reject Mirada's application for a modification to CUP-3319 (1992).

IV. Mirada's application for a modification to CUP-3319(1992) should be denied because the application contains insufficient, inaccurate and/or incomplete information with which the Staff has made their decision to recommend the approval of Mirada's discretionary development

As discussed above, a CUP may only be grated "if all of the following standards...are met, or if such conditions and limitations, including time limits, as the decision-making authority deems necessary, are imposed to allow the standards to be met."[50] These standards include, inter alia, that the project be "consistent with the intent and provisions of the County's General Plan and of Division 8, Chapters 1 and 2, of the Ventura County Ordinance Code." Further, the burden of proof that these standards are met rests with the applicant.[51] The decision-making body must make "[s]pecific factual findings" that

[49] Sec. 8107-5.4 - Required Permits, NCZO at 100. However, see Sec. 8107-5.2 - Application, "No permit is required by the County of Ventura for oil and gas exploration and production operations conducted on Federally owned lands pursuant to the provisions of the Mineral Lands Leasing Act of 1920 (30 U.S.C. Section 181 et seq.). (AM. ORD. 3810 - 5/5/87)."
[50] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.
[51] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.

"support the conclusion that each of these standards, if applicable, can be satisfied."[52]

The provisions of Sec. 8107-5.6.10 are imposed on an oil production project "in the form of permit conditions when permits are issued...and when existing permits are modified."[53] "These conditions may be modified at the discretion of the Planning Director, pursuant to Sec. 8111-4.2"[54] "The authority may impose such conditions and limitations as it deems necessary to assure that all applicable policies and specific requirements as well as the general purpose and intent of this Chapter and its various Articles will be carried out, and that the public interest, health, safety, convenience and welfare will be served."[55]

Staff Reports are summaries of the application materials and the Staff's consideration of these materials in making their decision to recommend approval of the modified CUP. The following are a few examples of instances in which there is inaccurate, incomplete or insufficient information in either the Staff Report or in the conditions imposed on Mirada.

A. **NCZO 8111-2.2**

As mentioned above, the subject application was submitted without the signatures of the property owners of 040-0-010-355. Per NCZO 8111-2.2, "[r]egardless of who is the applicant, the property owner shall sign the application. 18

B. **CUP-3319 (1992) Conditions, Section 2, "Time Limit"**

The 1992 amendment Conditions require that "approved wells must be completed in a timely manner ending within three (3) years of the issuance of the permit."[56] There is no such restriction in the March '13 Staff Report and no mention of why the Staff chose to exclude this restriction in the Proposed Amendment. The 1992 Amendment Conditions also require that the permit becomes "null and void" if a "Zoning Clearance for site preparation and drilling of at least one well has not been issued within two (2) years of the granting of the permit" and "all the permitted well(s) have been abandoned pursuant to DOG requirements."[57] These reasonable requirements have been excluded from the Proposed Conditions. 19

C. **CUP-3319 (1992) Conditions, Section 4, "Issuance of Zoning Clearance"**

The 1992 amendment requires that "[p]rior to issuance of a Zoning Clearance the permittee shall submit to the Planning Director, together at one time, written documentation that the provisions of the following conditions have been complied with: (5, 7, 8, 9, 15, 16, 19, 22, 50)."[58] This reasonable requirement has been excluded from the proposed conditions and the March '13 Staff Report does not discuss this omission. 20

D. **CUP-3319 (1992) Conditions, Section 5, "Other Permit Clearances"** 21

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[52] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.
[53] Sec. 8107-5.2 - Application, NCZO at 100.
[54] Sec. 8107-5.2 - Application, NCZO at 100.
[55] Sec. 8111-4.2, NCZO at 264.
[56] CUP Conditions, 1992 Amendment, at 1.
[57] CUP Conditions, 1992 Amendments, at 1.
[58] Conditions for CUP-3319, Jan. 21, 1992, at 1.

The 1992 amendment requires that the applicant furnish the Planning Director with a "written clearance" from permitting agencies that "the permittee has complied with all applicable conditions of their respective permits."[59] Although the Proposed Amendment Conditions require, for example, in Section 46 "Abandoned Wells," that "[p]ermitee shall apply for a Uniform Fire Code Permit for each well," there is no provision that requires that permittee providing the Planning Director with evidence that this requirement has been met. There is no documentation requirement and no reporting and monitoring provision. 21

E. **CUP-3319 (1992) Conditions, Section 7: "Maintaining Current Exhibits"**

CUP-3319 (1992) requires that "[w]ithin 30 days of the approval of the CUP-3319-5 and prior to the issuance of any Zoning Clearance, the permittee shall furnish the County, in a form approved by County staff, one copy of all the most current exhibits and plot plans which reflect the conditions, provisions, and terms associated with the permit as finally approved unless this has already been provided with the application."[60] This requirement should remain in the amended application; the exclusion of this condition is not addressed in the March '13 Staff Report. 22

Given that the Proposed Amendment may be approved without a final statement from Mirada as to the location of all of the wells, it is vital that sufficient follow-up and monitoring procedures be in place. Further, even if this condition is excluded in the current conditions, exhibits are still required for the current modification to be in compliance with the prior CUP: "Within 30 days of any subsequent modification of the permit, revised exhibits and plot plans shall be submitted to the Planning Director."[61]

F. **CUP-3319 (1992) Conditions, Section 8, "Contact Person"**

CUP-3319 (1992) states that the "current name and/or position title, address, and phone number of the permittee's field agent and other representatives"[62] shall be provided to the Planning Director. The Proposed Amendment refers vaguely to "contact information," and provides examples, "e.g.," of the form that this information might take.[63] The County is, of course, free to provide suggestions as to what constitutes contact information, but should state that, at a minimum, the current name and/or position title, address, and phone number is required. Further, CUP-3319 (1992) requires that the County be given both the permitee's field agent "and other representatives who shall receive all orders and notices as well as all communications regarding matters of condition and code compliance at the permit site."(emphasis added).[64] The County should add "and other representatives" into the Proposed Amendment "Contact Person" section. 23

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[59] Conditions for CUP-3319, Jan. 21, 1992, at 2.
[60] Conditions for CUP-3319, Jan. 21, 1992, at 2.
[61] Conditions for CUP-3319, Jan. 21, 1992, at 2.
[62] Conditions for CUP-3319, Jan. 21, 1992, at 2.
[63] "The Permittee shall provide the Planning Director with the contact information (e.9., name and/or position title, address, business and cell phone numbers, and email addresses) of the Permittee's field agent..." March '13 Staff Report Conditions at 9.
[64] Conditions for CUP-3319, Jan. 21, 1992, at 9.

G. **CUP-3319 (1992) Conditions, Section 9, "Notice of Permit Requirements"**

CUP-3319 (1992) requires that the permittee shall "prior to drilling, provide copies of the conditions applicable to the permit to the surface owner of record, the drilling contractor and all other parties and vendors dealing with the daily operation of the proposed drilling activities." This should be included in the Proposed Amendments. 24

H. **NCZO Sec. 8107-5.6.8 -- Reporting of Accidents**

The NCZO requires that, in the event of "fires, spills, or hazardous conditions not incidental to the normal operations at the permit site" that the permitee "immediately notify the Planning Director and Fire Department and all other applicable agencies."[65] However, the Proposed Conditions only require that the permittee notify the Planning Director. This requirement does not meet the minimum requirements of Sec. 8107-5.6.8. Further, CUP-3319(1992) required that "[a]ny oil spills shall be cleaned and corrected within 24 hours of the date and time of the oil spill."[66] This additional requirement must be included in the Amended Conditions. Further, the title of the section should be reworded as "Reporting of Accidents," as would be consistent with the NCZO, or "Reporting Accidents," as in CUP-3319(1992). "Reporting of Major Incidents" may be misleading and there is no reason to not use the language from the NCZO. 25

I. **March '13 Staff Report: Project History**

The March '13 Staff Report states that "[t]he subject property has been developed with oil and gas facilities." Both the Sept. '12 Staff Report and the Feb. '12 Staff Report both state that "[t]he subject property has been developed with only oil and gas facilities." This statement remains misleading because the additional uses of the properties are excluded. There is a residence, recreation building, livestock, etc. on these properties. 26

J. **Watershed Area**

Prior standards required that "prior to commencement of any drilling the permittee shall inquire of the Ventura County Health Department if the land for which this permit is issued, or any portion thereof, is located within a critical watershed area."[67] This restriction should be in place with the Proposed Amended Conditions. 27

K. **Site Plan**

"Prior to any drilling, a site plan showing the well location and surrounding uses within 500' shall be submitted to the Planning Director for approval."[68] This requirement is important and vital due to the fact that Applicant has yet to state where the additional nine wells will be placed. Further, Applicant has described the six well locations as "proposed," and has informed the Staff that they are not actually certain of the final placement of the wells. At some point the location will be determined. At that time, and prior to drilling, the site plan must be submitted to the Planning Director 28

[65] Sec. 8107-5.6.8, NCZO at 104.
[66] Conditions for CUP-3319, Jan. 21, 1992, at 4.
[67] Condition 15, Additional Standard Conditions for Oil and Gas Production, Resolution No. 72-2.
[68] Condition 28, Additional Standard Conditions for Oil and Gas Production, Resolution No. 72-2.

L. **Number of Wells**

According to all three staff reports, as of 1992 there were five existing wells and authorization for two exploratory wells, for a total of seven wells. There is no mention of the closure of any wells between the approved modified CUP in 1992 and the application for an amendement to CUP 3319 in 2011. The Feb. '12 Staff Report states that CUP 3319 "currently" authorizes seven wells. However, the Sept. '12 Staff Report and the Mar. '13 Staff Report state "currently" CUP 3319 only authorizes six wells. Both the Mar. '13 Staff Report and the Sept. '12 Staff Report state that the 1992 Amendment was to add two additional wells to five existing wells, for a total of seven wells. The County cannot consider the impact of the amended project if the County is unsure of the number of wells authorized at the time the amended application was filed, the number of wells currently in operation, and the number of abandoned wells. If the site contains abandoned wells, the County has made no note as to its monitoring or inquiry as to whether or not the abandoned wells have been shut in according to the relevant county regulations. As the number of existing wells went from 7 to 6 and the number of authorized wells went from 7 to 6, the number of proposed wells rose from 8 to 9.

Further, in the March '13 Staff Report the County states that there are six existing wells--two at the Harth site and four at the Nesbitt site. The County states further that, upon approval of the amendment, there will be only two existing wells remaining as the wells at the Nesbitt site will be abandoned or "shut in," as described by Mirada. However, in the Nov. 2012 letter to the County, Mirada states that only three wells are currently in use at the Nesbitt site. Again, the County appears unsure of the extent of the current and proposed project. The number of existing wells and the number of proposed wells goes to the heart of the amendment being requested. As the Mar. '13 Staff Report appears to contain inaccurate and/or missing material information, it is impossible for the County to make a decision based on the information contained in the report.

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Further, according to the Proposed Amendment Conditions, the requested CUP would allow "the abandonment of all oil and gas facilities located on the Nesbitt Lease and those facilities located on the easternmost drill pad on the Harth lease that are accessed from Koenigstein Road."[69] According to the March 2013 Staff Report, at the time of the 2011 Amendment Application there were two (2) active wells on the Harth site. If Mirada is, in fact, shutting in "those facilities located...on the Harth lease," then they must be shutting in all existing wells on the Harth lease (as there are only two active wells currently). If the plan is to shut in all existing wells on the Harth site and all existing wells on the Nesbitt site, then this is not a modification. This makes the permit null and void, pursuant to the CUP-3319(1992): "The permit shall become null and void if...all the permitted well(s) have been abandoned pursuant to DOG requirements."[70] This is thereby an entirely new CUP being passed off to the Staff as an amendment.

[69] March '13 Staff Report, Conditions for CUP, at 1.
[70] Conditions for CUP-3319, Jan. 21, 1992 at 1.

M. **Use of Koenigstein Road**

The 1992, and current conditions for the existing C.U.P. preclude the use of Koenigstein Rd. for truck traffic in excess of ¾ tons. In April 1993, Seneca Resources Corporation informed the County that they intended to use Koenigstein Road as a temporary route while they worked to repair the Sisar Creek crossing. "…We intend to use the Sisar Creek road as soon as the crossing can be restored."[71] The County had every reason to believe that that the Oil Companies fully intended to repair the Sisar Creek crossing and remain in compliance with CUP 3319. Instead, seventeen years later, Mirada was still using Koenigstein Road, and in violation of the C.U.P. conditions. 30

As discussed above, there is insufficient information in the March 13 Staff Report to determine which, if any, wells are being shut in at the Harth site. As such, it is impossible for the Staff to be satisfied that Applicant will not be using Koenigstein Road, in violation of the proposed conditions. Further, the March 2013 Staff Report does discuss whether or not the Staff or the County have considered that Mirada may not be complying with the promises made by Seneca.

N. **CUP-3319 (1992) Condition 43**

As mentioned in Part 1, there is no indication in any of the Staff Reports that the conditions of section 43 were complied with. The purpose of the compatibility review "is to ascertain whether the permit, as conditioned, has remained consistent with its findings for approval and if there are grounds for the filing of an application for modification or revocation of the permit."[72] The permitee is required to "initiate the review by filing an application for said review and paying the deposit fee then applicable," and the review is required "[e]very tenth year from the date of permit approval." 31

O. **Exhibits Provided**

The exhibits as provided by Applicant are unclear and potentially inaccurate. There are existing structures and facilities on APN 040-0-110-345 and these do not appear anywhere on the application. Further, it is unclear from the exhibits and from the narrative provided how many existing, abandoned and potential well sites existing within the project. 32

P. **Conclusion**

Application not in full, true and correct form. Finally, the NCZO states that "...all other entitlements, shall be null and void for any of the following causes, once the applicant has been notified of such nullification...[t]he application request which was submitted was not in full, true and correct form. Examples of such inadequate submittals are failures to show all existing uses, structures, facilities and improvements, which have 33

[71] Letter from J.K. Erisman, Operations Administrator, Seneca Resources Corporation to Mr. Robert K. Laughlin, Ventura County Resource Management Agency, Planning Division, dated April 23, 1993.
[72] Conditions for CUP-3319, Jan. 21, 1992 at 1.

been authorized by Chapters 1 and 2 of the Code, or which were commenced without required authorization."[73]

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In light of all of the above, you should reject the recommendations of your staff in their March '13 Staff Report and reject Mirada's application for a modification to CUP-3319 (1992).

[73] Sec. 8111-2.7 – Nullification, NCZO at 260.

Appendix A: Short Citations

"1985 MND" (Mitigated Negative Declaration issued in 1985)

"1992 Amendment [Conditions]" (CUP-3319 as adopted in 1992)

"Air Quality Plan" (Ventura County 2007 Air Quality Management Plan 2007 Final, May 13, 2008).

"Applicant" (Mirada Petroleum, Inc)

"CUP" (Conditional Use Permit)

"CUP-3319 (1992)" (CUP-3319 as adopted in 1992 following the modification application)

"County" or "the County" (Ventura County, California and employees of the government of the County of Ventura

"Feb. '12 Staff Report" (County of Ventura, Planning Director Staff Report Recommendations – Hearing on February 23, 2012)

"General Plan" (Ventura County General Plan, Goals, Policies and Programs, April 6, 2010).

"March '13 Staff Report" (County of Ventura Resource Management Agency Planning Division Hearing on March 21, 2013)

"Mirada" (Mirada Petroleum, Inc.)

"Modification Application" (application materials sent to the County by Mirada in or around 2011).

"MND -- Addendum" (Negative Declaration -- Addendum, as presented in the March '13 Staff Report)

"NCZO" (Ventura County Non-Coastal Zoning Ordinance, Last Amended 06-28-11).

"Oct. 15, 2012 Email" (Email from Brian Baca to David Feigin with Jay Dobrowalski carbon copied)

"Proposed Amendment Conditions" (Conditions for Conditional Use Permit as included int he March '13 Staff Report

"Proposed Amendment(s)" (application and relevant materials submitted by Mirada to the County)

"Proposed MND" (Negative Declaration -- Addendum as included in the March '13 Staff Report)

"Sept. '12 Staff Report" (County of Ventura, Planning Director Staff Report –

Hearing on September 20, 2012)

"Staff" or "the Staff" (employees and authorized agents of the County of Ventura Resource Management Agency, including but not limited to the employees and authorized agents of the Planning Division)

"Three Staff Reports" or "three staff reports" or "all staff reports" or "the staff reports" (refers to, collectively, Feb. '12 Staff Report, Sept. '12 Staff Report, and March '13 Staff Report).

This is an outline of the document entitled ***"REASONS WHY MIRADA'S APPLICATION FOR A MODIFICATION TO CUP 3319 SHOULD BE DENIED".*** This outline is a general list and does not contain all of the specific issues mentioned in the actual document.

There are four categories of objections to the Mirada Modification to CUP 3319. The list includes, **but is not limited to the following**;

First: Mirada's Application for a Modification to CUP 3319 should be denied because Mirada has Failed to Conform to the Existing Conditions of CUP 3319 (as amended in 1992, and the NCZO.

Mirada's application does not contain "full, true and correct" information to support the application because Mirada has not reported to Staff that they are in violation of the previously granted and amended CUP 3319. Mirada has:

1) **Failed to Comply with Condition 31: Designated Truck Traffic Access Route and the Transporting of the Oil, Gas and Waste Products, CUP-3319 (1992)**

1. **Failed to comply with Condition 43. Compatibility Review, CUP-3319 (1992)**
2. **Failed to Comply with Dust Requirements, CUP-3319 (1992)**
3. **Failed to Comply with Section 30, "Shipping Tanks.", CUP-3319 (1992)**

Second: Mirada's Application for a Modification to CUP 3319 should be Denied because the Application has not Conformed with Notice Requirement

This includes failure to comply with the following reguirements:

1. Section 8111 of the NCZO
2. both NCZO Sec. 8111-3.1.3 and California Government Code Section 65091.
3. Section 10 of the CUP 3319 as amended in 1992
4. In addition, the County has failed to maintain complete and accurate records as to the owners of the properties that comprise the project site location for CUP 3319.
5. Also, Notice was not mailed to covered persons as required by both NCZO Sec. 8111-2.2(b) and NCZO Sec. 8111-3.1.3, and an offer to join the proceedings was not extended to covered persons pursuant to NCZO Sec. 8111-2.2(b).

6. IN addition, the County has failed, despite recognizing 040-0-010-355 as a covered property in the "Project Site Location" of the March '13 Staff Report, to update the "Property Owner" section of the March '13 Staff Report Negative Declaration to reflect the change of ownership.

7. Also the County has failed to provide justification, as promised, for the erroneous conclusion that Mr. Feigin is not a property owner for the purposes of any part of the entitlement process.

8. The staff have failed to justify its use of the phrases "property owner" with "surface owner" relative to the owner of 040-0-010-355 and to define an easement (as in Black's Law Library) as an 'interest' which does not give it owner's rights (an issue relative to 040-0-010-355).

Third: **Mirada's Application for a Modification to CUP 3319 Should be Denied Because it is Inconsistent with the Ventura County General Plan and the Ventura County Non-Coastal Zoning Ordinance**

A CUP may only be granted "if all of the following standards...are met, or if such conditions and limitations, including time limits, as the decision-making authority deems necessary, are imposed to allow the standards to be met."[1]

There has been a failure to comply with the Ventura County General Plan in terms of :

i. Air Quality

ii. Natural Water

iii. Restrictions on modifications of existing petroleum permits

iv. Landslides/Mudslides

There has also been a failure to comply with the NCZO in terms of :

I. Site Maintenance.

II. Mitigation and Monitoring or Reporting Program (CEQA 21081.6).

III. Reporting of Accidents as cited in Sec. 8107-5.6.8

[1] Sec. 8111-1.2.1.1 Permit Approval Standards, NCZO at 255.

IV. Waste Handling and Containment relative to . Sec. 8107-5.6.8

V. Finally, the Staff report of March '13, fails to include the steps applicant must take regarding NCZO requirements relative to:: **Sec. 8107-5.5.1; Sec. 8107-5.5.2; Sec. 8107-5.5.10; Sec. 8107-5.5.11; and Sec.** 8107-5 et seq.

Fourth: **Mirada's Application for a Modification to CUP 3319 should be denied because Mirada has Failed to Conform to the Existing Conditions of CUP 3319 (as amended in 1992, and the NCZO.**

Section 8111 of the NCZO governs the process and procedures for processing land use entitlements. Entitlements include "modification, suspension, or revocation of any permit".

Mirada's application does not contain "full, true and correct" information to support the application because Mirada has not reported to Staff that they are in violation of the previously granted and amended CUP 3319.

These violations have occurred relative to:

I. A **failure to Comply with Condition 31: Designated Truck Traffic Access Route and the Transporting of the Oil, Gas and Waste Products, CUP-3319 (1992**

II. A failure to comply with Condition 43. Compatibility Review, CUP-3319 (1992)

III. A failure to Comply with Dust Requirements, CUP-3319 (1992)

IV. A failure to Comply with Section 30, "Shipping Tanks.", CUP-3319 (1992)

NCZO states that "...all other entitlements, shall be null and void for any of the following causes, once the applicant has been notified of such nullification…[t]he entitlement issued does not comply with the terms and conditions of the permit originally granting the use under Division 8, Chapters 1 and 2, of the County Ordinance Code."[2] **As a result of this and as indicated above, Applicant has failed to conform with the requirements of CUP-3319.**

[2] Sec. 8111-2.7 – Nullification, NCZO at 260.

Letter C: By Marianne Ratcliff, March 21, 2013
(8 pages)

C.

March 21, 2013
Planning Hearing for LU11-0041

Dear Ms. Prillhart,
Thank you for this opportunity to discuss the approval of a Minor Modification to a Conditional Use Permit for oil and gas exploration and production, LU11-0041.

I respectfully submit that there is **substantial evidence** that the nine additional new wells and the two reworked wells will have a significant effect on the environment. There are numerous circumstances regarding the application that require further environmental impact analysis.

Section 15162 of the CEQA Guidelines provides that where an EIR or Negative Declaration has been certified or adopted for a project, no additional EIR need be prepared for the same project ***unless*** there is substantial evidence before the agency that any of the following have occurred:

1. Subsequent changes are proposed in the project which will require important revisions of the previous mitigated negative declaration due to new significant effects or a substantial increase in the severity of previously identified significant effects.
First is the consideration of time. Twenty-eight years ago, the planning director adopted a Mitigated Negative Declaration that evaluated the environmental impacts of the construction and operation of three new oil wells and existing oil and gas facilities. It goes without saying that there have been significant changes in the area since 1985. 1
-- Nearby Thomas Aquinas College has grown from a handful of portable buildings with just 120 students to a world-class, modern college with buildings worth tens of millions of dollars, 370 students and at least 50 staff members. That has increased traffic in the area and heightened the impact of any hazardous event at any of the nearby oil sites.
-- Oil production has substantially increased in light of the recent Energy Information Administration estimate that there are 15.4 billion barrels of oil in California's Monterey Shale. That has led to a boom in area mineral leasing; numerous old oil wells being brought back online; substantial laying of infrastructure in way of new electric lines and pipes; many more vehicle trips by oil and gas and infrastructure workers on the two-lane Highway 150. 2
-- To name just a few new oil projects in the area and county: 220 acres of mineral rights were just leased by Oxy near Thomas Aquinas College in the Upper Ojai area; Thompson Oil is reworking at least eight new wells it is currently bringing online in the nearby area of Camp Bartlett and the neighboring property; Seneca is looking to drill about 300 new wells in the Sespe Oilfield; 2 new wells were approved north of Fillmore in the Sespe in March 2012. This is far from a complete list of oil and gas projects approved since 1985, those recently approved and those pending, in light of the current, document oil boom occurring in Ventura County and California. The county of Ventura Planning office will have a more extensive list from which to judge the increased amount of drilling and subsequent cumulative effects on air, water and ground quality. 3
-- The new application includes a new access route from the one originally approved and from the Koenigstein Road access used in violation of CUP 3319 for the last 17 years. 4

Second, the new application requests that the decision-making body adopt an addendum to an adopted MND because "only minor technical changes or additions are necessary." Most reasonable people would conclude that increasing the number of wells from the initial three in 1985 to nine new wells and two reworked wells -- for a total of 11 -- in 2013, does not fit the intended definition of "only minor technical changes or additions." 5

In addition, the applicant notes on page 24 of the application that the northern portion of the lease "accessed by Koenigstein Road will be abandoned pursuant to DOGGR standards and the requirements of Section 8107-5.6.11 of the Ventura County NCZO within 24 months of becoming idle **unless a new modification is submitted**." (emphasis added).
To this point, the applicant also notes in its Nov. 6, 2012, correspondence with the county of Ventura case manager Jay Dobrowalski that it will idle its Nesbitt wells "until we obtain formal confirmation" that it can cross a private road off of Koenigstein Road. This demonstrates that the applicant's intention to apply for a new modification at a future date to access its wells on Koenigstein Road, which it is currently disallowed from doing, according to the current CUP. Its September 2012 application requested a total of 15 wells (nine new and six existing). 6

Letter C: By Marianne Ratcliff, March 21, 2013
(8 pages)

The applicant states that the previous MND mitigated the project impacts to air quality to a less than significant level. However, the previous MND was for far fewer wells than are currently being requested. In addition, as the applicant states, another significant change is that the current Air Pollution Control District Rules and Regulations now include "stricter standards than those that were analyzed in the MND." That would indicate that a new application with more wells would have a higher bar for meeting current air quality standards. It does not follow then, nor is it logical for the applicant to assert, as he does on page 3 of the MND addendum, that "the current (APCD) Rules and Regulations render the MND mitigation measure unnecessary."
Increased oil production in the area -- and in this specific project with an increased number of wells -- mean that further air-quality mitigation is necessary. 7
For example, the credible Web site, Planet Hazard (planethazard.com), which collects emissions date from the Environmental Protection Agency National Emission Inventory reports that as of its latest compilation in 2002, there were 488,013.14 pounds of polluting emissions a year in an approximate five-mile area of the application site. It will be important for planners to determine the emissions from each proposed additional Mirada well and add those emissions to emissions from the current Mirada wells and then add that to the current emissions for the area to determine if the projects meets Ventura County air quality standards. It does not seem likely, from a layman's perspective, that it is possible.

2. Substantial changes occur with respect to the circumstances under which the project is undertaken, which will require important revisions to the previous declaration due to the involvement of new significant effects not considered in the MND.

The application states: "The circumstances under which the potential impacts to the environment were evaluated have not substantially changed such that the proposed drilling of nine oil and gas wells will require major revisions to the MND. Additionally, new potentially significant environmental effects have not been identified for the proposed project."
I would respectfully disagree and state that circumstances under which the potential impacts to the environment were evaluated have substantially changed.
The 1985 initial study checklist notes "no" to issues that I believe have changed in the ensuing 28 years.

-- II 6. Increase in the use of any natural resource. Each new well requires water for drilling, so more water will be used for nine new wells. 8
-- 8b: Creation of objectionable odors: I invite planners to get permission to tour well areas and see if there are any associated odors. The objectionable odor is of oil and gas and with more oil and gas wells, the odor level will increase. 9
-- 8c: Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally: In 1985, there was not the same understanding of climate change due to carbon emissions that there is today. In 2013, man-made climate change as a result of the burning of fossil fuels is an accepted scientific fact. 10
-- 9g: Exposure of people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, liquefaction, tsunami or similar hazards. Some underground injection wells (there is one on the Mirada site) have been linked to earthquakes. With regard to ground failure, a Kern County oil worker was boiled alive in June 2011 when a sinkhole swallowed him near a well site. 11
--10a: The drilling of new wells will result in significantly increased traffic levels. 12
--13f: The Upper Ojai/Ojai area's unique geology and significant number of abandoned wells whose location is unknown and the continuing and increased use of hydraulic fracturing to access oil and gas in the Monterey Shale could lead to degradation of groundwater. The March 19, 2012, Ventura County Star reported on groundwater contamination from an oil site. 13
--13g: The area of drilling is in a watershed and runoff from well flowback, especially during rainy weather, could affect surface water. 14
--13g: The area of drilling is in a watershed and runoff from well flowback, especially during rainy weather, could affect surface water and negatively affect fish.
--17a: A project and/or cumulative demand for additional off-site water facilities. Water is required for oil and gas drilling, so there will be increased demand for off-site water facilities. 15
--17b: A significant project and/or cumulative demand on existing water supply. An earlier application for drilling in the area stated that the site would rely on "lease water," which this layperson reads to mean water on the lease, which is an existing water supply. Increased number of well drilling, requiring more water, would therefore place a 16

demand on the existing water supply. 16
--23: Risk of upset. Although the 1985 initial study checklist says there is no risk of "an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals or radiation) in the event of an accident or upset conditions," it goes without saying that an explosion and/or release of hazardous substances is possible at an oil well site. E.g., there was a natural gas leak at a Thompson Oil Co. well off of Ojai Road near Camp Bartlett on Feb. 28, 2013, that resulted in six area fire agencies responding to the site. 17
--24a: Creation of any health hazard or potential health hazard: If there were an explosion or release of hazardous substances, there would be a health hazard. In addition, the increased air emissions from nine extra wells could have a detrimental impact on human health. 18
--III3: Does the project have impacts which are individually limited, but cumulatively considerable? Yes. Cumulative impacts will be in air quality, water quality and supply and increased traffic. 19
--III4: Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly. Breathing increasingly polluted air or drinking contaminated water would have an adverse effect on human beings. 20

3. New information relating to the significant effects of the project and means of reducing or avoiding those effects, which was not known and could not be known at the time the previous MND was certified or adopted, becomes available. "New information" is further defined in Guidelines Section 15162(a)(3)

At the time the previous MND was certified, hydraulic fracturing, aka well completion, did not utilize the same chemical mixtures that have been developed and are used today for that process used for many Silverthread wells. Neither was there the same attention or public concern about the unregulated injection of many known carcinogenic chemicals and other toxins into the earth or the link between earthquakes and injection wells. Recognizing the hazard, the state of California and county of Ventura government are currently in the process of creating new guidelines to govern hydraulic fracturing in California and the county and these guidelines are not yet in place. 21

Consistency with the General Plan
1. **Resources Policy 1.3.2.4: Discretionary development shall not significantly impact the quantity or quality of water resources within watersheds, groundwater recharge areas or groundwater basins.** 22
Oil wells will use significant amounts of water to drill and hydraulically fracture.
3. The proposed development would not be obnoxious or harmful or impair the utility of neighboring property or uses. 23
There would be more toxic air emissions.
4. The proposed development would not be detrimental to the public interest, health, safety, convenience or welfare.
Increased toxic air emissions, possible water contamination and risk of explosion or release of hazardous substances would be detrimental to public health. 24

In light of the significant increases in the number of wells requested in this CUP and the extensive number of changes to the area and the oil and gas industry over the past 28 years, I respectfully request that the county of Ventura conduct a more detailed environmental analysis before approving this application.

Sincerely,

Marianne Ratcliff

Marianne Ratcliff

Attachments:

Ventura County energy companies emissions from Web site Planethazard.com, which compiles emissions data from the Environmental Protection Agency National Emission Inventory.

Letter C: By Marianne Ratcliff, March 21, 2013
(8 pages)

Ventura County, California, polluters

1 Rose Katherine Stone
annual emissions: 3,997.48
pollutants: 6 sources: 22

2 Maverick Oil
annual emissions: 2,698.48
pollutants: 6 sources: 17

3 Bentley / Simonson Inc.
annual emissions: 854.80
pollutants: 6 sources: 12

4 Silver Exploration Co. Inc.
annual emissions: 2,709.22
pollutants: 6 sources: 20

5 Crazy 'J' Oil Company
annual emissions: 0.00
pollutants: 6 sources: 11

6 Seneca Resources Corp.
annual emissions: 135,026.04
pollutants: 16 sources: 171

7 Ojai Oil Company
annual emissions: 3,575.30
pollutants: 6 sources: 12

8 Ojai Fee Lease
annual emissions: 0.00
pollutants: 1 sources: 5

9 Thompson Oil Company Inc.
annual emissions: 953.80
pollutants: 6 sources: 12

10 Vintage Petroleum Inc.
annual emissions: 328,513.41
pollutants: 38 sources: 416

11 Sespe Lease Inc Hamp Fee
annual emissions: 3,317.70
pollutants: 6 sources: 12

12 Mirada Petroleum Inc.
annual emissions: 577.30
pollutants: 33 sources: 160

13 Bsi
annual emissions: 1,094.70
pollutants: 6 sources: 12

14 Santa Fe Eng Oper Partn, L.P.
annual emissions: 1,898.20
pollutants: 27 sources: 145

15 Astarta Oil Company
annual emissions: 3,102.00
pollutants: 6 sources: 16

16 Energy West
annual emissions: 346.10
pollutants: 6 sources: 11

17 The Termo Company
annual emissions: 46,793.96
pollutants: 6 sources: 14

18 Seneca Resources Corporation
annual emissions: 273.01
pollutants: 27 sources: 106

19 Rincon Island Ltd. Partnership
annual emissions: 10,455.75
pollutants: 29 sources: 179

20 Brue'S Body Shop
annual emissions: 102.92
pollutants: 9 sources: 9

21 Thompson Oil Company, Inc.

annual emissions: 257.60
pollutants: 1 sources: 1

22 The Termo Company
annual emissions: 579.50
pollutants: 1 sources: 5

23 Platform Gail
annual emissions: 284,360.38
pollutants: 6 sources: 128

24 Platform Grace
annual emissions: 88,113.15
pollutants: 6 sources: 104

25 Platform Gilda
annual emissions: 61,536.49
pollutants: 6 sources: 76

Seneca Resources Corp.

Map nearby schools and other locations...

Pollutant Emissions

Total Emissions	135,026.04
Carbon Monoxide	100,200.00
Volatile Organic Compounds	17,427.74
Nitrogen Oxides	10,060.00
Formaldehyde	2,349.33
Primary PM10, Filterable Portion Only	1,035.36
Primary PM2.5, Filterable Portion Only	1,033.68
Toluene	954.55
Benzene	823.47
Xylenes (Mixture of o, m, and p Isomers)	510.48
Hexane	402.65
Sulfur Dioxide	80.00
Acetaldehyde	76.64
Acrolein	27.20
Ethyl Benzene	22.45
Naphthalene	18.49
PAH, total	4.01

Vintage Petroleum Inc.

Map nearby schools and other locations...

Pollutant Emissions

Total Emissions	328,513.41
Carbon Monoxide	278,460.00
Volatile Organic Compounds	40,622.79
Nitrogen Oxides	5,460.00
Formaldehyde	1,798.27
Primary PM10, Filterable Portion Only	596.88
Primary PM2.5, Filterable Portion Only	595.84
Toluene	373.57
Benzene	216.20
Xylenes (Mixture of o, m, and p Isomers)	165.33
Acetaldehyde	64.31
Hexane	50.49
Ethyl Benzene	33.16
Acrolein	25.38
Sulfur Dioxide	20.00
PAH, total	12.21
Methanol	8.45
Naphthalene	6.78
Hydrochloric Acid	1.60
Phosphorus	1.27
Lead	0.25
Nickel	0.25
Manganese	0.13
1,3-Butadiene	0.08
Beryllium	0.05
Arsenic	0.04
Cadmium	0.04
Selenium	0.02
Chromium (VI)	0.01
Benz[a]Anthracene	0.01

D.

David Feigin and Dr. Nancy Greenfield
311 Palomar Road
Ojai, California 93023

Kimberly Prillhart, Planning Director
Planning Department, County of Ventura
800 S. Victoria Ave. L-1740
Ventura, CA 93009-1740
March 21st, 2013

Dear Ms. Prillhart,

Re: Mirada's CUP Modification Application

You need to reject Mirada's application for a modification to CUP-3319 because your staff and Mirada have failed to notify us and include us as required. 1

Section 8111 of the County of Ventura's Non-Coastal Zoning Ordinance (NCZO) governs the process and procedures for processing land use entitlements. Entitlements include "modification, suspension, or revocation of any permit."[1] An entitlement application shall not be accepted "unless [the application] conforms to the requirements of this Chapter" and "contains in a full, true and correct form the requirement materials and information prescribed by the forms supplied by the Ventura County Planning Division."[2] 2

According to Sec. 8111-2.2(b) of the NCZO, "[a]ll holders or owners of any other interests of record in the affected property shall be notified in writing of the permit application and invited to join as co-applicant."[3] Further, notice of a public hearing involving a discretionary permit must be mailed, postage prepaid, to the "owner of the subject property" and "owners of all real property situated within a radius of 300 feet of the exterior boundaries of the Assessor's Parcel(s)" pursuant to both NCZO Sec. 8111-3.1.3 and California Government Code Section 65091.

Section 10 of the CUP requires that Mirada inform the County of any ownership changes related to the site properties: "No later than ten days after any change of property ownership...there shall be filed with the Planning Director the name(s) and address(es) of the new owner(s)...together with a letter from any such person(s) acknowledging and agreeing to comply with all conditions of this permit." Further, CUP-3319 (1992) requires "amendments and updates of all the applicable materials required pursuant to Condition Nos. (8, 9, 15, 16, 19, 22) shall also be submitted at the same time." 3

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[1] NCZO Sec. 8111-0.
[2] NCZO Sec. 8111-2.1.
[3] NCZO Sec. 8111-2.2(b).

Did APC

The County has failed to maintain complete and accurate records as to the owners of the properties that comprise the project site location for CUP 3319. Further, notice was not mailed to covered persons as required by both NCZO Sec. 8111-2.2(b) and NCZO Sec. 8111-3.1.3, and an offer to join the proceedings was not extended to covered persons pursuant to NCZO Sec. 8111-2.2(b). Finally, Mirada violated a condition of CUP-3319 (1992) by failing to provide proper notice to the County regarding a property change of ownership.

According to the March '13 Staff Report, the "Project Site Location" covers three APNs: 040-0-010-345, 040-0-010-355, and 040-0-010-225. The owner of 040-0-010-355 is our trust, the Feigin Trust, and we are jointly the trustees of the Feigin Trust. Prior to August 2012, the owners of 040-0-010-345 were James P. Findley and Sita D. Findley. Mirada did notify the County of this ownership change within the parameters required pursuant to Section 10 of CUP-3319 (1992); the Feigin Trust is listed as the owner of 040-0-010-355 with the County of Ventura's Assessor's Office and our trust address is the addresses listed at the top of this letter.

Despite recognizing 040-0-010-355 as a covered property in the "Project Site Location" section of the March '13 Staff Report, the County failed to update the "Property Owner" section of the March '13 Staff Report Negative Declaration to reflect the change of ownership to the Feigin Trust; the Negative Declaration still refers to the owners as Mr. and Mrs. Findley. Further, the County failed to include the Feigin Trust as a property owner on the first page of the March '13 Staff Report, section A.2. Finally, the County has yet to discuss with either of us the requirement that we will need to complete, sign and notarize a Notice of Land Use Entitlement. 3

Neither or us nor Mr. Findley nor Mrs. Findley received any notification regarding the application for the Proposed Amendment, nor did any of the four receive an invitation "to join as co-applicant." Neither of us have received notice required by NCZO Sec. 8111-3.1.3 of today's hearing. Finally, Mirada did not inform the County within ten days of the change of ownership of 040-0-010-355 when we acquired the property from the Findleys in August 2012.

Further, the application itself is incomplete according to the NCZO. Sec. 8111-2.2 of the NCZO states "[r]egardless of who is the applicant, the property owner shall sign the application." Neither of us have signed any application.

In prior communications with Mr. Feigin, the Staff stated that they did not consider us to be a property owner for the purposes of the CUP, despite owning APN 040-0-010-355, which is part of the project site location. The Staff has provided no justification as to this conclusion, neither in writing nor orally, despite being questioned on this topic numerous times. The Staff wrote to Mr. Feigin that they would provide their conculsion and support in writing to Mr. Feigin prior to today's meeting. This was communicated to Mr. Feigin by way of an email sent from Brian Baca to David Feigin and Jay Dobrowalski on October 15, 2012:

> As explained to you by the Planning Director, you are not the "property owner" for purposes of filing the Notice of Land Use Entitlement. A written explanation will be provided to you prior to the Planning Director hearing on the revised Mirada application.

Despite this promise, the County has provided no written justification for the erroneous conclusion that we are not a property owner for the purposes of any part of the entitlement process has been provided. First, the March 2013 Staff Report uses "property owner" synonymously with "surface owner," of which the Feigin Trust is most certainly.

Second, the Feigin Trust has the right to possess, use and convey 040-0-010-355. Neither the NCZO nor the Ventura County General Plan define "property owner." Whether or not 040-0-010-355 is encumbered by any easements is disputed. However, were 040-0-010-355 to be encumbered by an easement, that easement does not limit the Feigin Trust's right to possess, use and convey the property and an owner may have parted with some interest in the property ("as by granting an easement or making a lease") and yet remain the owner of the property.[4] Black's Law Dictionary does not define an easement as "property," instead referring to it as an "interest." An easement, including a type of easement commonly referred to as a right-of-way agreement, is an interest in land owned by another person and it does not give the easement holder the right to possess or sell the land.[5] An easement is not owners rights. Furthermore, there is no oil drilling on our property or under the Feigin property, so Mineral Rights and the owner of these rights are irrelevant to this issue. 3

The County is, of course, free to interpret "property owner" as broadly as they would like. They are free to also include the owner of the mineral rights, or perhaps owners of easements (not property owners, but rights owners). The County is not, however, able to exclude rightful property owners from their part in this process. To argue that mineral rights owners or easement holders should also be included but that property owners are excluded is unreasonable and has no basis is law or fact. Again, feel free to include more property owners than there are, but you cannot exclude the surface owners from the process--especially not when your Staff makes it clear to the public in the March '13 Staff Report that "property owner" is synonymous with "surface owner," and in the same report the prior owner of Mr. Feigin's property is listed as a property owner.

According to the NCZO, "[s]hould the permittee fail to comply with applicable requirements, the property owner and his successors in interest are responsible for such compliance."[6] Further, Sec. 8111-8.2 – Acceptance of Permit Conditions requires that "The inauguration of a use, construction of a structure, grading, or other preliminary site work, authorized or unauthorized, to establish a use for which an entitlement has been granted, shall constitute acceptance by the permittee and property owner of the conditions imposed on entitlements issued for such use or structure."[7] We have been repeatedly

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[4] Black's Law Dictionary, 9th Ed. (2010).
[5] Black's Law Dictionary, 9th Ed. (2010).
[6] NCZO Sec 8111-8.1 Responsibility for Compliance with Regulations and Permit Conditions.
[7] NCZO Sec 8111-8.2 – Acceptance of Permit Conditions.

excluded from material discussions and negotiations over the proposed amendments. Mr. Feigin has repeatedly asked to be involved to protect our interests, coming to the discussion with a reasonable levelheaded outlook and understanding of business mentality. Despite Mr. Feigin's reasonable attempts to obtain information for which he has a right to under the law, he has been excluded. And yet, despite the Staff and the County's repeated attempts to dodge this issue and to play games with our liability on this matter, the matter remains. We must be provided a candid, open and complete written explanation from you regarding the issue of liability pursuant to NCZO 8111, and they must be given the written explanation and indemnification from liability that your Staff and Mirada have promised them. 3

As we are covered property owners, as mentioned above, our signatures will be required on the Notice of Land Use Entitlement, pursuant to NCZO 8111-8.3. The project cannot proceed without our signatures. We do not give their consent, at this time, to the proposed amendments and they do not accept they are in any way responsible for compliance with all applicable regulations and permit conditions.

You must reject the recommendations of your staff in their March '13 Staff Report and reject Mirada's application for a modification to the CUP. We also must have a conversation about our liability and the County and Mirada's plan to remove our liability in this matter. Further, we need the indemnification guarantee, in writing, that the County has promised us.

Sincerely,

David Feigin

Dr. Nancy Greenfield

CC: Jay Dobrowalski, Planning Department, County of Ventura
Brian Baca, Planning Department, County of Ventura

E.

COUNTY OF VENTURA
RESOURCE MANAGEMENT AGENCY
800 S. Victoria Avenue
Ventura, CA 93009

MITIGATED NEGATIVE DECLARATION

A. PROJECT DESCRIPTION:

1. Entitlement: Conditional Use Permit No. CUP-3319 MOD.

2. Applicant: Argo Petroleum

3. Location: (See attached map) Approximately 2 miles northeast of the intersection of Highway 150 and Koenigstein.

4. Assessor Parcel No(s).: Portions of Parcels 40-010-34 and 22

5. General Plan Designation: Open Space

6. Existing Zoning: "R-E-1ac" (Rural Exclusive, one acre minimum lot size)

7. Proposal: Drill three new oil wells on two existing drill pads

8. Responsible Agencies: California Division of Oil Gas

B. STATEMENT OF ENVIRONMENTAL FINDINGS:

An Initial Study was conducted by the Planning Division to evaluate the potential effect of this project on the environment. Based on the findings contained in the attached Initial Study it has been determined that this project could have a significant effect on the environment. These potentially significant impacts can be satisfactorily mitigated through adoption of the following identified measures as conditions of approval.

C. MITIGATION MEASURES INCLUDED TO AVOID POTENTIALLY SIGNIFICANT EFFECTS:

That all drilling rigs shall be powered by electricity provided by an electric utility.

D. PUBLIC REVIEW:

1. Legal Notice Method: Direct mailing to property owners within 300 feet of proposed project boundary.

2. Document Posting Period: March 13 to March 27, 1985

3. Environmental Report Review Committee Hearing: March 27, 1985

Prepared by: Steve Rodriguez SR 3-5-85 : Reviewed by: Robert K. Laughlin RKL 3-5-85

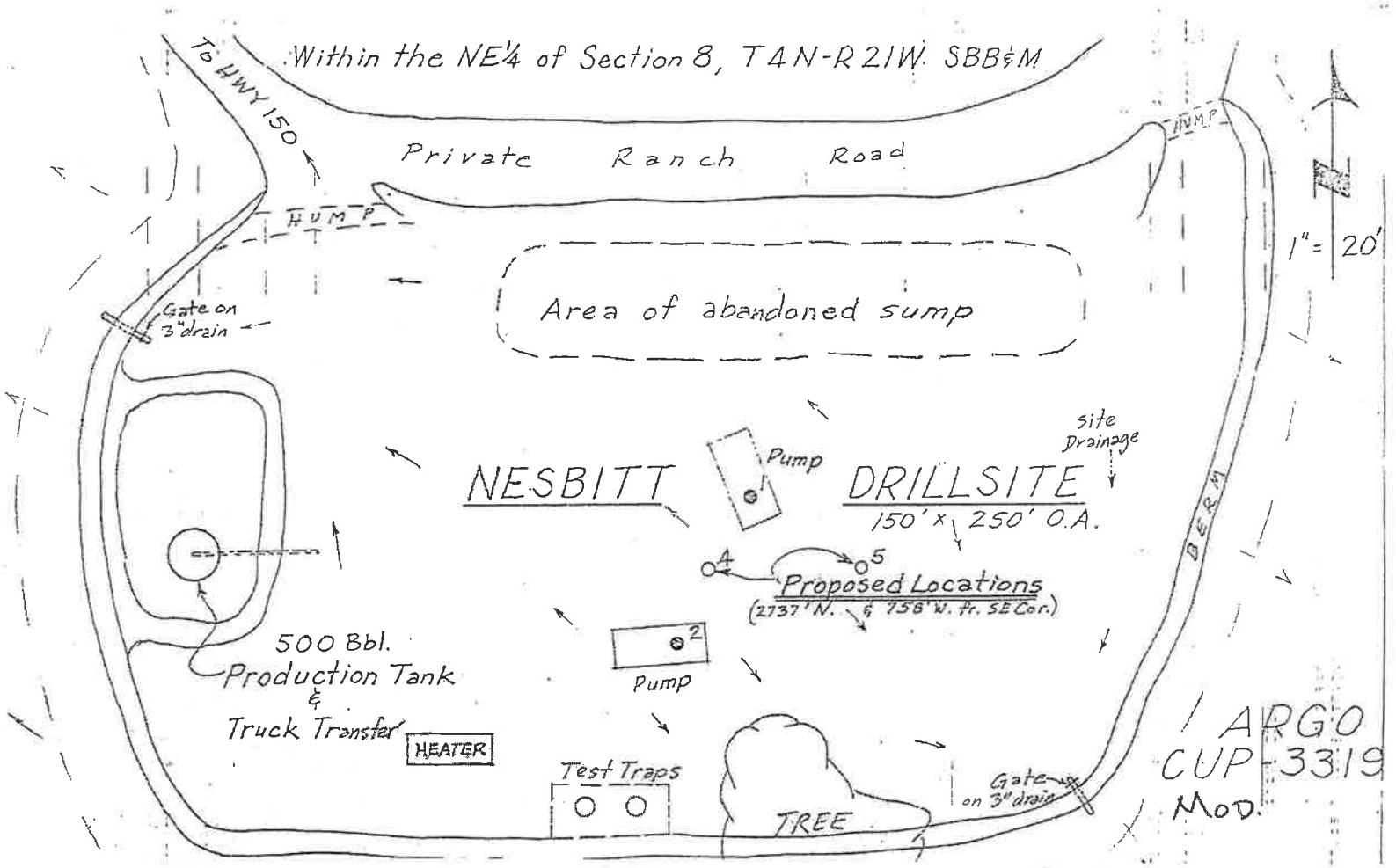
The Environmental Report Review Committee recommends that the decision-making body of the proposed project find that this document has been completed in compliance with the California Environmental Quality Act.

Bruce Smith, Chairman
Environmental Report Review Committee

Date

SR:dd/EIR15-84

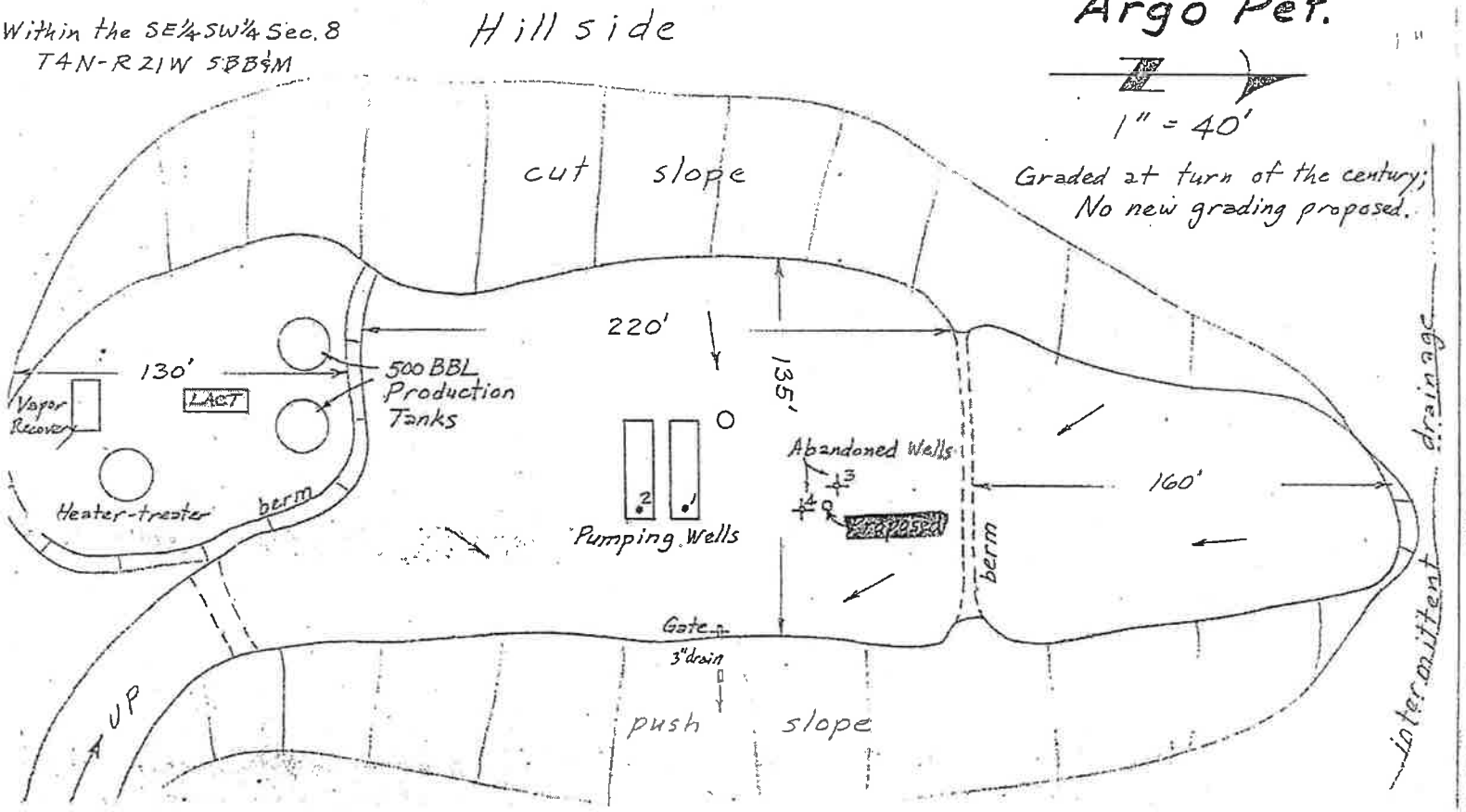
FILED
MAR 15 1985
RICHARD D. DEAN, County Clerk
By Katherine M. Allen
Deputy County Clerk


Within the NE¼ of Section 8, T4N-R21W. SBB&M
To HWY 150
Private Ranch Road
HUMP
HUMP
Area of abandoned sump
Gate on 3" drain
1" = 20'
Site Drainage
Pump
NESBITT DRILLSITE
150' x 250' O.A.
4
5
Proposed Locations
(2737' N. & 758' W. fr. SE Cor.)
BERM
500 Bbl. Production Tank & Truck Transfer
HEATER
2
Pump
Test Traps
TREE
Gate on 3" drain
ARGO
CUP 3319
MOD.

CUP-3319 mod

HARTH LEASE
Argo Pet.

Within the SE¼SW¼ Sec. 8
T4N-R21W SBB&M



INITIAL STUDY CHECKLIST

I. BACKGROUND

1. Name of Applicant ARGO PETROLEUM

2. Project Description DRILL THREE (3) OIL WELLS: CUP 3319 MOD.

3. Project Location SILVERTHREAD

4. Date Checklist Completed 2/28/85

II. ENVIRONMENTAL IMPACTS

Planning Division Input	Yes	Maybe	No*
1. Land Use. Will the proposal result in a substantial alteration of the present or planned land use of an area?			X
2. Population. Will the proposal alter the location, distribution, density, or growth rate of the human population of an area?			X
3. Housing. Will the proposal affect existing housing, or create a demand for additional housing?			X
4. Aesthetics. Will the proposal result in the obstruction of an scenic vista or view open to the public, or will the proposal result in the creation of an aesthetically offensive site open to public view?			X
5. Recreation. Will the proposal result in an impact upon the quality or quantity of existing recreational opportunities?			X
6. Natural Resources. Will the proposal result in:			
a. Increase in the rate of use of any natural resources?			X
b. Substantial depletion of any non-renewable natural resources (e.g., loss of prime agricultural land)?			X
7. Public Services. Will the proposal and/or the cumulative demands of other pending projects have an effect upon, or result in a need for new or altered governmental services in any of the following areas:			
a. Sanitation			X
b. Water (not under County Jurisdiction)?			X
c. Fire Protection?			X
d. Police Protection?			X
e. Schools?			X
f. Parks or other recreational facilities?			X
g. Other governmental services ?			X

* The County reviewing agency has determined this issue not to be significant.

APCD Input	Yes	Maybe	No*
8. Air. Will the proposal result in:			
a. Substantial air emissions or deterioration of ambient air quality?	X		
b. The creation of objectionable odors?			X
c. Alteration of air movement, moisture or temperature, or any change in climate, either locally or regionally?			X
d. Is there a potential for cumulative adverse impacts on air quality in the project area?	X		
Public Works Agency Input			
9. Earth. Will the proposal result in:			
a. Unstable earth conditions or in changes in geologic substructures?			X
b. Disruptions, displacements, compaction or overcovering of the soil?			X
c. Change in topography or ground surface relief features?			X
d. The destruction, covering or modification of any unique geologic or physical features?			X
e. Any increase in wind or water erosion of soils, either on or off the site?			X
f. Changes in deposition or erosion of beach sands, or changes in siltation, deposition or erosion which may modify the channel of a river or stream or the bed of the ocean or any bay, inlet or lake?			X
g. Exposure of people or property to geologic hazards such as earthquakes, landslides, mudslides, ground failure, liquefaction, tsunami or similar hazards?			X
10. Transportation/Circulation. Will the proposal result in:			
a. Generation of substantial additional vehicular movement?			X
b. Effects on existing parking facilities, or demand for new parking?			X
c. Substantial impact upon existing transportation systems?			X
d. Alterations to present patterns of circulation or movement of people and/or goods?			X
e. Alterations to waterborne, rail or air traffic?			X
f. Increase in traffic problems to motor vehicles, bicyclists or pedestrians?			X

* The County reviewing agency has determined this issue not to be significant.

	Yes	Maybe	No*
g. Would the project area system of roads be unable to accommodate the traffic to be generated by the project and all other pending projects in the area?	___	___	X
11. Utilities. Will the proposal and/or the cumulative demands of other pending projects impact or result in a need for new public service systems, or substantial alterations to the following utilities?			
a. Electricity or natural gas?	___	___	X
b. Communication systems?	___	___	X
c. Street lighting annexation and improvements?	___	___	X
12. Energy. Will the proposal result in:			
a. Use of substantial amounts of fuel or energy?	___	___	X
b. Substantial increase in demand upon existing sources of energy, or require the development of new sources of energy?	___	___	X
Flood Control and Water Resources Department Input			
13. Hydrology. Will the proposed result in:			
a. Effects upon a Flood Control District's jurisdiction channel?	___	___	X
b. Effects upon a secondary drain?	___	___	X
c. Changes in drainage patterns or the rate and amount of surface water runoff?	___	___	X
d. Alterations to the course or flow of flood waters?	___	___	X
e. Exposure of people to water related hazards such as flooding or tsunami?	___	___	X
f. Degradation of groundwater quality?	___	___	X
g. Degradation of surface water quality?	___	___	X
h. Reduction in groundwater quantity?	___	___	X
i. Increase in groundwater quantity?	___	___	X
j. High groundwater table?	___	___	X
k. Sewage disposal limitations?	___	___	X
14. Plant Life. Will the proposal result in:			
a. Affect any unique, rare or endangered plant species?	___	___	X
b. Change the diversity of plant species?	___	___	X

* The County reviewing agency has determined this issue not to be significant.

	Yes	Maybe	No*
20. Solid Waste. Will the proposal result in:			
a. Production of significant amounts of solid waste?			X
b. Would this waste create a significant impact on the existing solid waste disposal system?			X
21. Noise. Will the proposal result in:			
a. Significant increases in existing noise levels?			X
b. Exposure of people to severe noise levels?			X
22. Light and Glare. Will the proposal produce significant amounts of new light or glare?			X
23. Risk of Upset: Does the proposal involve a risk of an explosion or the release of hazardous substances (including, but not limited to, oil, pesticides, chemicals or radiation) in the event of an accident or upset conditions?			X
24. Human Health. Will the proposal result in:			
a. Creation of any health hazard or potential health hazard (excluding mental health)?			X
b. Exposure of people to potential health hazards?			X

III. MANDATORY FINDINGS OF SIGNIFICANCE

1. Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?			X
2. Does the project have the potential to achieve short-term, to the disadvantage of long-term, environmental goals? (A short-term impact on the environment is one which occurs in a relatively brief, definitive period of time while long-term impacts will endure well into the future?)			X
3. Does the project have impacts which are individually limited, but cumulatively considerable? (Several projects may have relatively small individual impacts on two or more resources, but where the effect of the total of those impacts on the environment is significant?)			X
4. Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X

* The County reviewing agency has determined this issue not to be significant.

IV. RECOMMENDATION

On the basis of this initial evaluation:

☐ In conformance with Section 15060 of the State EIR Guidelines, I find with certainty that the proposal would not have a significant impact on the environment.

☐ I find the proposed project is categorically exempt pursuant to Class _____.

☐ I find the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION should be prepared.

☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because the mitigation measures described on an attached sheet could be applied to the project. A MITIGATED NEGATIVE DECLARATION SHOULD BE PREPARED.

☐ I find the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

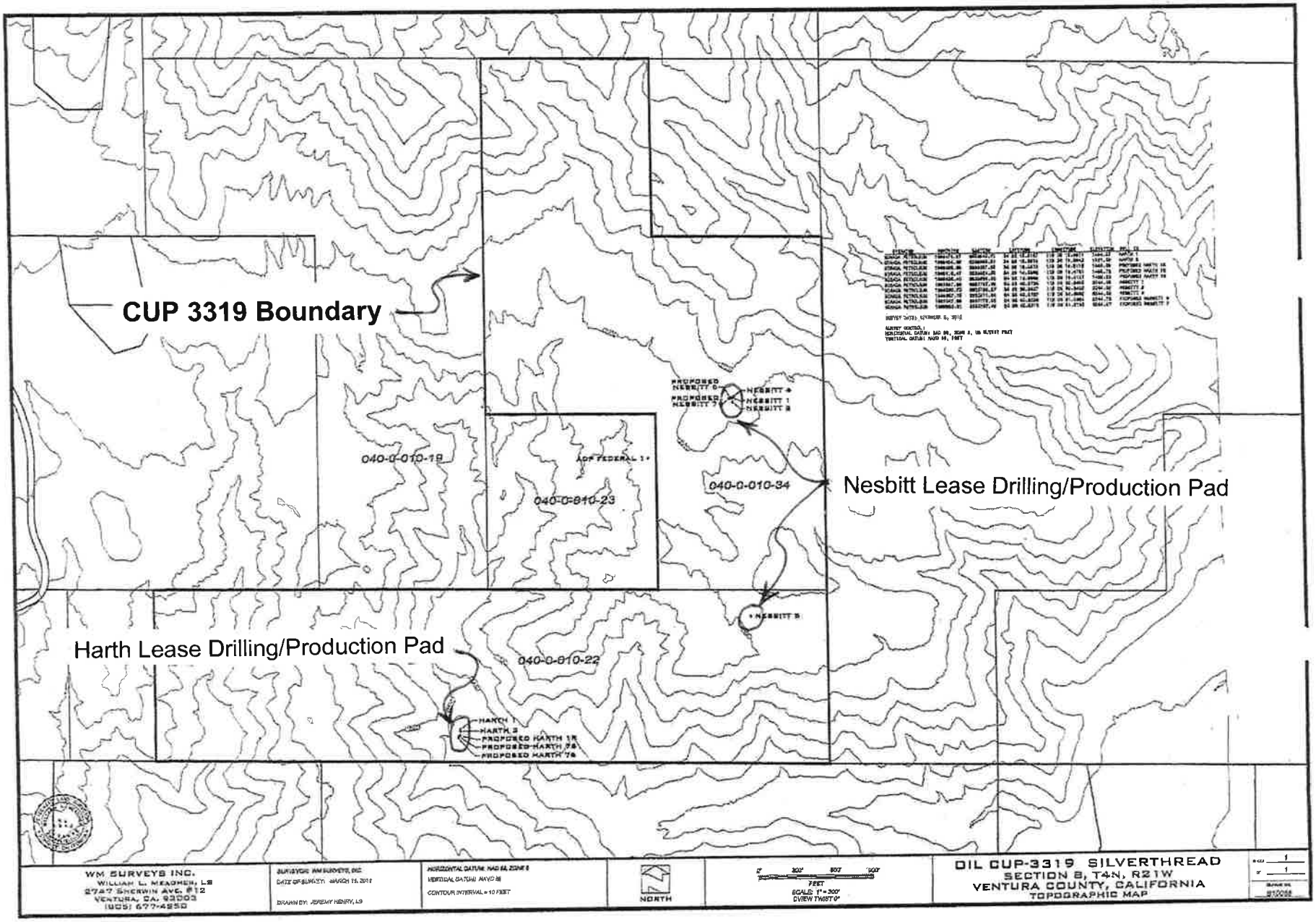
☐ I find the proposed project MAY have a significant effect on the environment, and an ADDENDUM to an existing certified Environmental Impact Report is required.

☐ I find the proposed project MAY have a significant effect on the environment, and this effect is adequately addressed in a certified Environmental Impact Report, and thus SUBSEQUENT USE of the existing EIR is required.

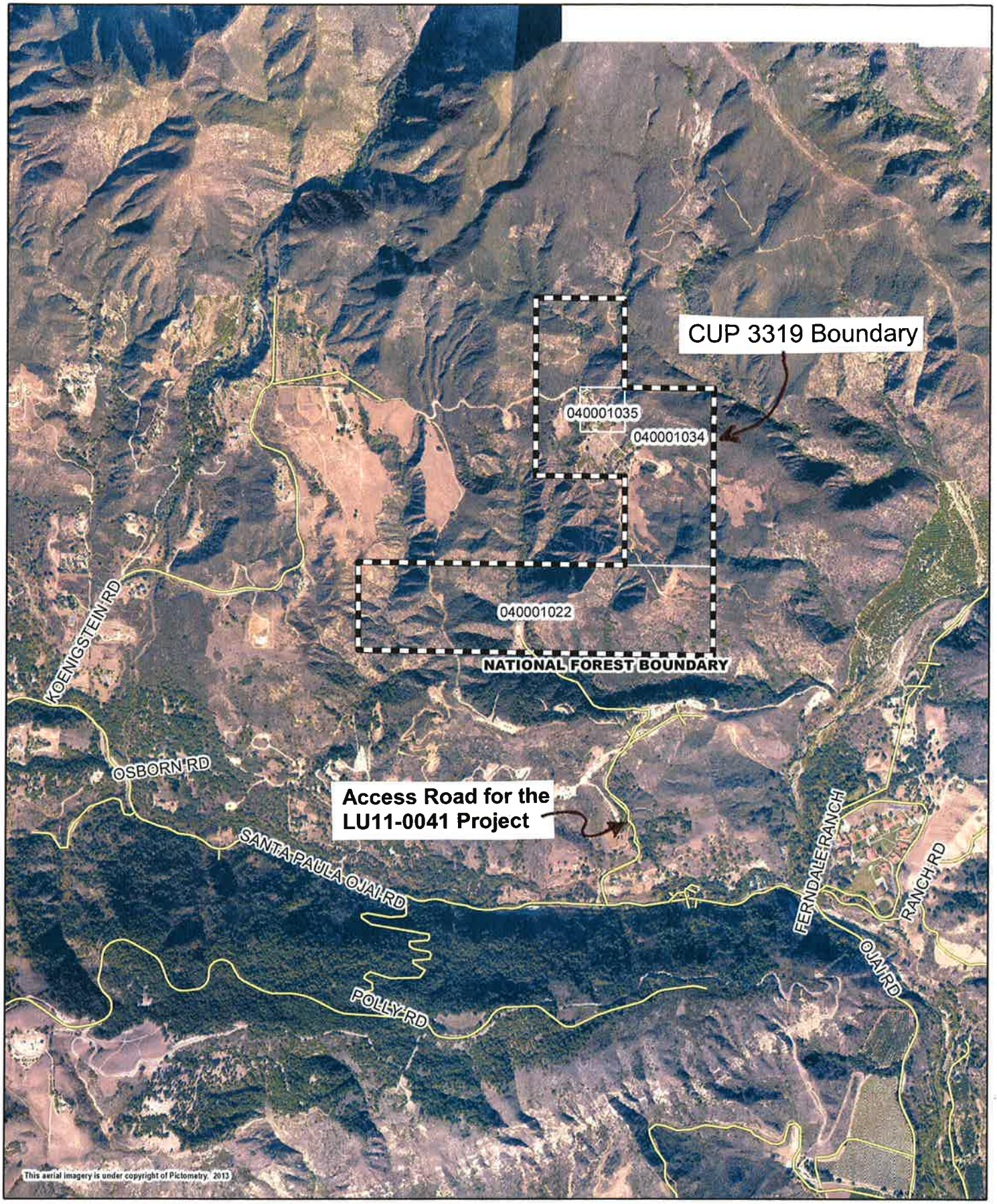
Date: 2/28/85 Steve Podegrass
(Signature of Environmental Planner)

Initial Study Contributors:

LAFCO
ENV. HEALTH
PWA
APCD
FIRE + SHERIFF
JH:ss/401 CITY OF ORI
D.O.G.



Attachment F: Site Plan for CUP 3319 permit area

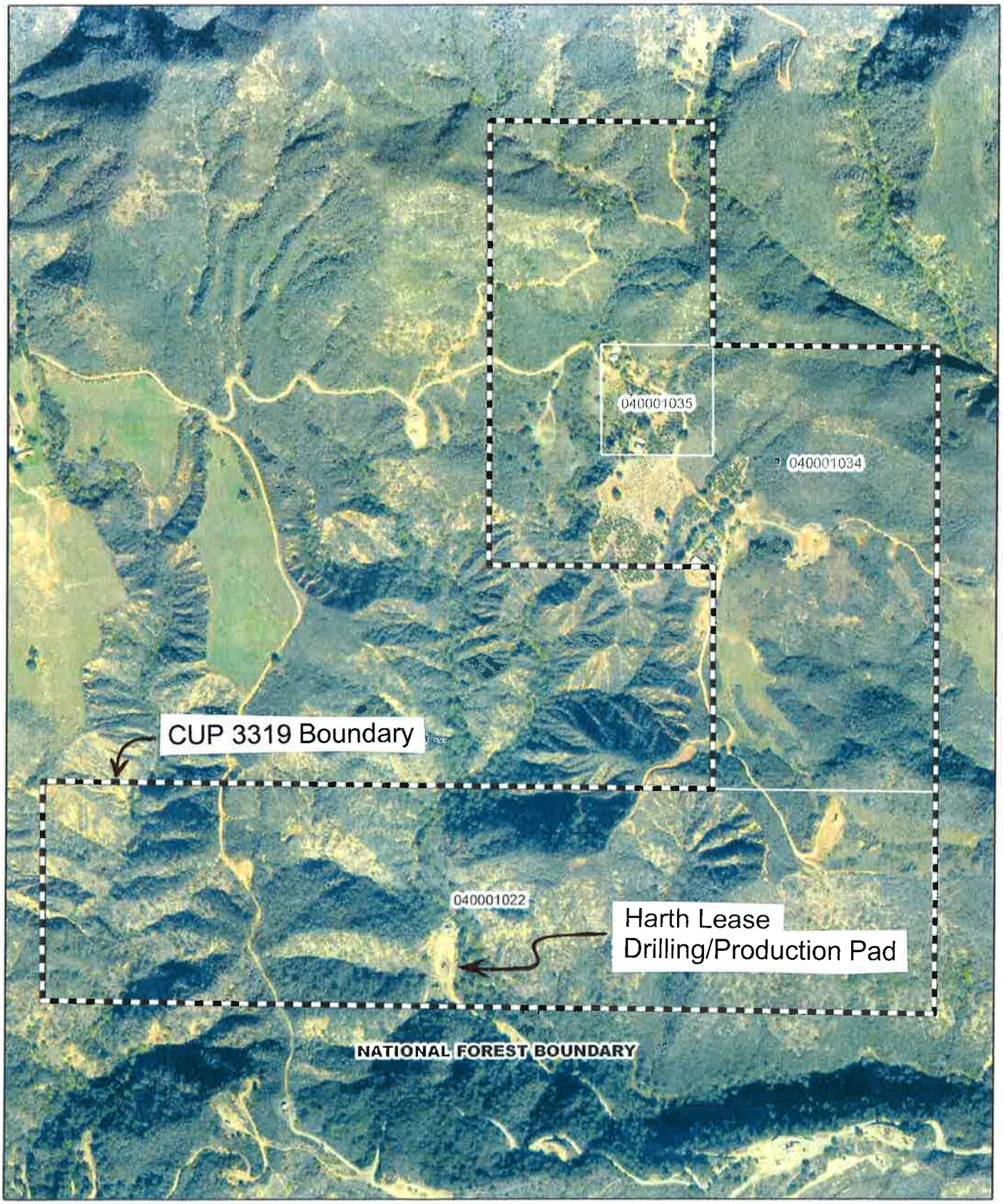


Attachment F: Aerial Photograph of road access to LU11-0041 project site

0 1,300 2,600 Feet

N

GH



Attachment F: Aerial photograph of CUP 3319 permit area

0 560 1,120 Feet

Disclaimer: this map was created by the Ventura County Resource Management Agency, Mapping Services - GIS, which is designed and operated solely for the convenience of the County and related public agencies. The County does not warrant the accuracy of this map and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.

GH