February 11, 2015

Kim Prillhart, Director
Ventura County Planning Division
800 South Victoria Avenue
Ventura, CA 93009-1740

RE: Nullification Request - Vintage Production Oil & Gas Facility, Santa Paula Canyon (PL 13-0150)

Dear Ms. Prillhart:

You are currently considering whether to approve a proposal by Vintage Production California LLC to drill 19 new oil and gas wells and to continue operating 17 existing oil and gas wells and related facilities for another thirty years. The wells are located along a popular recreation trail next to Santa Paula Creek between Thomas Aquinas College and the Los Padres National Forest in Ventura County. We submitted written comments on this proposal and provided testimony at the Planning Director's hearing on January 8, 2015.

I am writing today to request that you nullify the application for the above-referenced project, based on the presence of several ongoing violations at this facility. This request is made pursuant to Section 8111-2.2(g) of the Ventura County Non-Coastal Zoning Ordinance ("Zoning Ordinance"), which states:

> Nullification of Applications When Violations Are Discovered - Where a violation is discovered on a lot where an application request has been accepted or is being processed after being deemed complete, said application shall become null and void and returned to the applicant.

If your Division has already approved this CUP modification, then we request that you nullify the modified CUP pursuant to Section 8111-2.7 of the Zoning Ordinance, which states that permits "shall be null and void" if "[t]he application request which was submitted was not in full, true, and correct form."

It is important to note that these nullification requirements are mandatory and without discretion; the Division shall nullify the application or permit where violations occur or where incorrect information has been presented in the application. Based on our site visit last month,

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this facility appears to be in violation of the following permit conditions and Zoning Ordinance provisions:

1. **CUP 3344 Condition 4: That two (2) years and five (5) years after the approval of CUP-3344 MOD #8 and #9 and every fifth year thereafter, 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 deposit fee then applicable…. 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.**

We initially requested a copy of the most recent condition compliance review for this facility in an email to Brian Baca and Jay Dobrowalski dated January 7, 2015. That same day, Mr. Baca notified us that "[t]he Planning Division Condition Compliance Officer is preparing a copy of the most recent review that will be sent with a separate email." After receiving no response from the Condition Compliance Officer, on January 15, 2015 we requested that Mr. Baca follow up with the request, or put us in touch directly with the Condition Compliance Officer. Upon receiving no further communications from your Division, we filed a formal Public Records Act request for the most current condition compliance review on January 21, 2015.
After repeated assurances that the requested records were being prepared and provided to us, we were finally granted access to a large box of enforcement files on February 9, 2015, nearly one month after we had initially requested access.

Based on our cursory search of the voluminous records provided to us, we located one compatibility review for this facility – a Compatibility Review Inspection Report dated January 25, 1988. We could not locate any subsequent compatibility review report, suggesting that the Division has not prepared one for this facility in more than 25 years.

In its application, Vintage does not identify when the most recent compliance review was conducted for this facility. Vintage does acknowledge that it acquired the facility in 2008. While we do not dispute that timeline, what it means is that Vintage has failed to submit at least one (and perhaps two) applications for permit review as required by this condition. While Vintage submitted a Reimbursement Agreement for Permit Condition Compliance Review in 2008 in connection with the facility transfer, we could find no record of any such review ever actually taking place.

2. **CUP 3344 Condition 6: Separate Zoning Clearances shall be obtained prior to initiating construction of any access roads, grading of any drill sites and drilling each permitted well. Prior to issuance of a Zoning Clearance the permittee shall submit written**

documentation that the provisions of the following conditions (as applicable) have been complied with: 7, 10, 11, 12, 20, 21, 22, 23, 25, 27, 30, 42, 47, 52, 54, 55, 57, 58, 59, 60, 61, 62, 67, 74.

Vintage does not state in its application whether it or its predecessors obtained Zoning Clearances for any access roads, grading, or drilling. Instead, Vintage merely commits to applying for Zoning Clearances "pending approval of this Minor Modification." We have reason to believe that Zoning Clearances were not obtained for all wells, grading, and roads at the facility, and on that basis, request that the application be nullified.

3. **CUP 3344 Condition 13: That ten days prior to commencement of site preparation or drilling, the permittee shall notify, in writing, Thomas Aquinas College and the Ferndale Ranch (or their successors in interest) that such activities are about to occur. Additionally, the permittee shall notify Thomas Aquinas College and the Ferndale Ranch in writing prior to conducting major maintenance activities, including, but not limited to, geologic fracturing, reworking and redrilling.**

There is no evidence in the record showing that Vintage or its predecessors provided the required notice to Thomas Aquinas College or Ferndale Ranch. In its application, Vintage only states that it will comply with this condition in the future, and fails to affirm whether it and its predecessors have complied with this condition. For example, when Ferndale Well 716 was drilled and fracked several times in 1990, we have reason to believe that the college and the ranch were not properly notified. Moreover, we have reason to believe that the college and the ranch were not properly notified for more recent work that has occurred since Vintage acquired the facility, including but not limited to:

- Barker-Ferndale 3 (API 11120609) – reworked and acidized in 2011
- Barker-Ferndale 4 (API 11120685) – reworked and acidized in 2011
- Valex-Ferndale 107 (API 11121066) – reworked and fracked in 2012, reworked in 2014
- Valex-Ferndale 211 (API 11121178) – reworked in 2014

At such time when Vintage re-submits its application, the company must certify that it has complied with this permit condition by properly notifying the college and the ranch.

4. **CUP 3344 Condition 31: [A]ll permanent facilities, structures, and aboveground pipelines shall be colored so as to mask the facilities from the surrounding environment and uses in the area. Said colors shall also take into account such additional factors as heat buildup and designation of danger areas. Said colors shall be approved by the Planning Director prior to painting of facilities.**

The facilities we observed at Drill Sites 1 and 7 are indeed painted, but the paint is in various stages of decay and the facilities require repainting to achieve compliance with this condition. Vintage claims in its application that the paint is "maintained" but clearly it is not, and has not been painted for several years if not decades. Moreover, the colors are not compatible with the surrounding environment (i.e. tan against a green backdrop).

Drill site 1

5. **CUP 3344 Condition 32: [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.**

We observed unsightly graffiti at Drill Site 7 during our recent visit, in violation of this permit condition.

Graffiti at Drill Site 1

6. **CUP 3344 Condition 49: That within 90 days of the approval of CUP-3344 MOD #8 and MOD #9, all equipment and facilities on Drill Site Nos. 1, 3, and 7 shall be completely enclosed by a two (2) inch mesh chain link fence of a non-rusting material, constructed to a height of not less than six (6) feet and containing no openings except those required for ingress and egress. A gate or gates made of the same material as the fence shall be provided for each opening and the gate or gates shall be kept locked except when oil field personnel are present on the drill site.**

During our site visit, the gate at Drill Site 7 was unlocked and opened, in direct violation of this permit condition. No workers were present at the site during our visit. Vintage claims in its application that the gates "are locked" but this is clearly not the case.

Gate unlocked at Drill Site 7

7. **CUP 3344 Condition 51 (Landscaping of Drill Sites): All drill site[s] shall be landscaped so as to fully screen production equipment (including permanent storage tanks) and cut and fill slopes from view of Highway 150, Thomas Aquinas College, the Santa Paula Canyon hiking trail and any residences in the area to the extent which the Planning Director determines is reasonably feasible. Landscaping shall also be designed to revegetate cut and fill slopes to control erosion. Required landscaping shall be accomplished in a manner consistent with the native character of the area. Landscape Plans for Drill Sites 1, 2 and 7 shall be designed to accomplish the required screening in the lease amount of time.**

Drill Site Nos. 1 and 7 have not been landscaped so that they are "fully screened" from the Santa Paula Canyon hiking trail, as required by this permit condition. Also, we are unaware of any Landscape Plan for Drill Sites 1 and 7 and whether such plans were ever submitted to the County for review, as required by other provisions of this condition. Vintage must prepare such plans and resubmit them with a new application if they were not previously prepared and approved by the County.

Vintage claims in its application that the required landscaping "was assumed to have been addressed by the previous Lease holders, at the time the soil work has been implemented in

the 1980's." Vintage also assumes that some (but not all) of the drill sites have approved landscaping plans in place, and further assumes that the Planning Director determined that full screening would not be feasible. It is unclear why Vintage is assuming that the previous lease holders fully complied with this or any other permit condition, particularly given the long history of permit violations at this facility. It is also unclear why Vintage assumes that full screening is not feasible. We are unaware of any formal determination by the Planning Director to the contrary.

Vintage also claims that the equipment at Drill Site 1 "is screened from views from the hiking trail by fencing with wooden slats, trees and other vegetation," that the equipment at this site is "painted in colors that blend with the surroundings," and that "[s]hort-duration intermittent views of the equipment exist from the hiking trail." This is completely false, and the application/permit should be nullified based on this gross mischaracterization alone. While a chain-link fence does screen portions of Drill Site 1, many of its wooden slats are broken or missing, and vegetation is sparsely located around the fence. Moreover, the equipment at the site is in various stages of decay and has not been painted in years, if not decades, and does not blend in with the natural surroundings (i.e. tan paint and green background).

Drill Site 1, as viewed from the hiking trail

Drill site 1, as viewed from the hiking trail

With respect to Drill Site 7, Vintage claims in its application that the pumping units are "obscured from the hiking trail views" because they are painted to blend in with the surroundings, and are at a sufficient distance from the hiking trail. The pumping units are in various stages of decay and have not been painted in years, if not decades, and are directly in view from the hiking trail because they are located less than 100 feet from the trail. Again, such blatant mischaracterizations should provide the County with immediate grounds for nullification.

Drill site 7, viewed from the hiking trail.

Then Vintage states that while the pumping units "could be visible from the hiking trail," landscaping to fully screen them is not feasible because of land ownership issues, lack of space, and Fire Department restrictions. Vintage cannot avoid compliance with a permit condition that has been on the books for several decades by unilaterally determining that the condition is infeasible now. It is also important to note that the proposed modified CUP Condition 68 only requires a thirty-foot vegetation clearance for fire prevention, leaving ample room to accommodate vegetative screening on the well pad itself.

In order to fully comply with the plain terms of this permit condition requiring landscaping to "fully screen" all equipment, Vintage should consider moving the chain link fence to allow additional space for landscaping between the fence and the trail.

Vintage must immediately prepare and implement a landscaping plan for these drill sites prior to re-submitting its application.

8. **CUP 3344 Condition 52 (Landscape Bond): That within 30 days of the approval of CUP-3344 MOD #8 and MOD #9, the permittee shall file, in a form acceptable to the County, a bond or other surety in the amount of $5,000 to guarantee success germination and plant growth. Such bond shall be exonerated after two years if the permittee can demonstrate to the satisfaction of the County that successful germination and plant growth has occurred.**

We cannot locate any documentation that this bond was filed, whether the permittee demonstrated to the satisfaction of the County that successful landscaping had occurred, nor whether the bond has been exonerated.

In its application, Vintage merely assumes that the County was provided with the required bond "because the CUP was valid and operations were allowed to continue." This statement is incomprehensible, and we are frankly surprised that the County accepts responses like this in determining the completeness of an application.

9. **CUP 3344 Condition 58 (Access Road Realignment): The access road between Drill Site No. 1 and Drill Site No. 2 shall be realigned to reduce grades and runaway vehicle escape ramps shall be provided to reduce runaway vehicle hazards. Particular attention shall be paid to surface water run-off.**

This permit condition addresses two concerns with the steep grade of this access road: hazards associated with runaway vehicles, and stormwater runoff. Vintage admits in its application that guard rails were installed in lieu of escape ramps, in direct violation of this mandatory permit condition. Vintage also claims that drainage ditching along the roadside is adequate to manage runoff, even though the permit condition aims to avoid runoff and erosion problems in the first place by reducing the road grade.

Vintage is currently in violation of this condition, and must re-submit its application to include this road realignment in the project description.

10. **CUP 3344 Condition 66 (Paving of Drill Sites): That prior to commencement of drilling operations, Drill Site Nos. 1 and 7 shall be paved or otherwise made impermeable to minimize the potential for ground water pollution.**

Neither drill site is paved. Vintage claims that paving with asphalt "is not common practice and is not feasible," and then somehow claims that this condition is "in compliance." Again, Vintage does not have the authority to unilaterally declare that a longstanding mitigation measure is

infeasible. In resubmitting its application, Vintage should include paving these two pads as part of the project description.

11. **Zoning Ordinance Section 8107-5.6.4 (Waste Handling and Containment of Contaminants): The permittee shall furnish the Planning Director with a plan for controlling oil spillage and preventing saline or other polluting or contaminating substances from reaching surface or subsurface waters. The plan shall be consistent with requirements of County, State and Federal laws.**

Vintage attached to its application a three-page Spill Containment Plan that does not comply with current state requirements for Spill Contingency Plans that have been on the books since 2008, as set forth in 14 CCR § 1722.9. A legally adequate spill containment plan must include:

- A list of the operator's 24-hour emergency contact telephone numbers.
- Complete information about the production facility emergency shutdown procedures, including a list of safety shutdown devices including, but not limited to, kill switches, emergency shut-down devices, or master valves.
- A list of available personal safety equipment, including location and maintenance frequency.
- A one page quick-action checklist for use during initial stages of a spill response.
- A list of required local, state and federal agency notifications with telephone numbers, including, but not limited to, the phone number for the appropriate Division district office and the phone number for reporting spills to the California Emergency Management Agency.
- A list of control and/or cleanup equipment available onsite or locally, with contact procedures.
- A map of the production facilities covered by the plan, including: (1) Labeling of all permanent tanks, equipment, and pipelines. (2) Identification of access roads for emergency response. (3) Labeling of all out-of-service equipment. (4) Labeling of all sumps and catch basins. (5) Volume of all tanks and storage containers covered by the plan, listing the type of fluid stored. (6) All designated waterways within one-quarter mile of the facility. (7) Location of secondary containment with access routes. (8) Topography or drainage flow direction. (9) All storm drains within one-quarter mile of the site.

Moreover, Vintage did not submit any Pipeline Management Plan for this facility, as required by 14 CCR §1774.2. Such a plan guards against corrosion and spills, and includes:

- pipeline type, grade, actual or estimated installation date of pipeline
- design and operating pressures
- leak, repair, inspection and testing history
- description of the testing method and schedule for all pipelines

Finally, as an additional measure to guard against spills, Vintage must comply with 14 CCR §1773 regarding storage tanks, particularly those requirements regarding out-of-service tanks.

The absence or inadequacy of these plans is not consistent with the Zoning Ordinance. On that basis, Vintage's application must be nullified, and Vintage must resubmit its application after completing adequate plans that are consistent with the above-referenced state regulations.

12. **1978 MND Mitigation Measure C.3 (Flood Control & Drainage): The applicant will install automatic safety valves on the shipping line so that the maximum amount of oil that could be spilled into Santa Paula Creek, in the event of pipeline breakage, would be 45 barrels (1,890 gallons). In addition, a properly designed suspension bridge would reduce the likelihood of pipeline breakage from flooding.**

Vintage claims that "there are shut-off valves on the pipeline" but does not disclose whether they are functional, what procedures are in place to ensure that they effectively prevent a spill o fless than 45 barrels. Vintage also claims that the pipeline is "suspended above ground across the Santa Paula Creek." This mitigation measure does not require merely that the pipeline be suspended across the creek, but rather requires a "properly designed suspension bridge."

Based on our analysis of aerial imagery and our review of the permit files, we have reason to believe that the suspension bridge envisioned in this mitigation measure was never constructed. If that is the case, then Vintage is in violation of this mitigation measure, and must include in its project description a proposal to construct such a facility to guard against pipeline failure during high-streamflow events. If this suspension bridge has not been constructed, then Vintage is in violation of this requirement.

13. **1982 MND Trail Construction (Item 5 - Recreation, Measure 2): That the permittee shall reroute the Santa Paula Creek trail so that it completely avoids Drill Site Nos. 1 and 7 and the access road to proposed Drill Site No. 7. The cost of construction and maintenance for the rerouted trail shall be borne by the permittee. The location and design specifications for the rerouted trail shall be approved by both the U.S. Forest Service and the surface land owner prior to construction. All required trail improvements shall be completed by November 1, 1982.**

This permit condition is clear – Vintage is responsible for rerouting the trail to "completely avoid" the drill sites and the access road, must consult and receive approval from the U.S. Forest Service and the landowner, and shall bear all costs. These improvements were required to be in place by 1982, more than 30 years ago, and the failure of Vintage and its predecessors to do so means that Vintage is not in compliance with this requirement. Vintage must submit trail reroute plans as part of any application resubmittal.

14. **DOGGR Idle Well Regulations**

Existing well Valex-Ferndale 110 (API 11121163) is classified as "active" in the DOGGR online well records database, but according to DOGGR well production records, the well has not produced since November 2010. This well is thus more accurately classified as an "idle" well, as defined by Pub. Res. Code 3008(d) ("'Idle well' means any well that has not produced oil or natural gas or has not been used for injection for six consecutive months of continuous operation during the last five or more years.")

Because this well is mis-classified, we are concerned that Vintage has not complied with DOGGR's idle well requirements, including payment of an annual idle well fee, establishing an escrow account for the idle well, filing a $5,000 bond for the idle well, and performing periodic idle well testing to ensure that no damage is occurring to groundwater. Vintage must immediately comply with these requirements, and must take steps toward plugging and abandoning this idle well. It is in violation of the Public Resources Code until it does otherwise, and the application/permit should be nullified on this basis.

These ongoing permit violations are part of a long history of non-compliance at this facility. Based on the seriousness of these offenses, we strongly urge you to nullify the application (or permit, if already approved). This will ensure that the applicant takes all steps necessary to adequately remedy these deficiencies, undertake additional work, prepare required plans, revise the project description as needed, and submit this additional information as part of a

revised application. It will also give your Division an opportunity to conduct a long-overdue condition compliance review for this facility.

We appreciate your consideration, and hope that your Division will take the appropriate steps to comply with the Zoning Ordinance and remedy longstanding permit compliance issues at this facility before proceeding with any permit modification. Thank you for your assistance in this matter.

Best regards,

Jeff Kuyper
Executive Director