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PLN140395 (Porter Estates [Trio Petroleum])
CEQA Comments regarding Initial Study

Review period of February 27, 2015 through April 1, 2015

1. April 1, 2015 – Amy Clymo, Monterey Bay Unified Air Pollution Control District
2. April 1, 2015 – Steve Craig



MBUAPCD

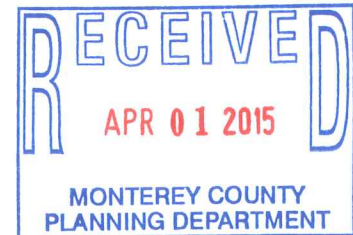
Monterey Bay Unified Air Pollution Control District
Serving Monterey, San Benito, and Santa Cruz Counties

24580 Silver Cloud Court
Monterey, CA 93940

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April 1, 2015

County of Monterey
Resource Management Agency – Planning
Attn: Mike Novo, Director of Planning
168 West Alisal St, 2nd Floor
Salinas, CA 93901



Re: Comments on Porter Estates (Trio Petroleum) Production Testing Mitigated Negative Declaration (PLN140395)

Dear Mr. Novo:

Thank you for providing the Monterey Bay Unified Air Pollution Control District (Air District) with the opportunity to comment on the above-referenced document. The Air District has reviewed the document and has the following comments:

1. Other Public Agency Approvals, Page 9 – This section indicates the project may require a permit to operate from the Air District. Please note, while the drill rig itself may not require a permit to operate from the Air District, some of the support equipment such as gen-sets, compressors etc. may need a permit. Additionally, equipment used for the project may be subject to California Air Resources Board portable equipment regulations, especially if on-site for over twelve months. Please contact the Air District at (831) 647-9411 if you have questions regarding permit requirements.
2. Table I, Peak Day Project Emissions, Page 23 – The last sentence in the Site Access and Vehicle Trips-Waste on page 9 indicates that any production level oil would be sold on-site and trucked to the purchasers. Please clarify if the heavy duty truck emissions presented in Table I from the 300 barrels per day of fluid being trucked from the site includes sold product during the production testing phase or if these are for waste fluid extracted from the wells. Please provide an estimate for production related truck emissions if not already included.
3. IX. References, AQMP 48, Page 69 –Please note, the most recent update to the 2008 AQMP is the 2013 Triennial Update, available on the Air District's website.

Please let me know if you have any questions. I can be reached at (831) 647-9418 ext. 227.

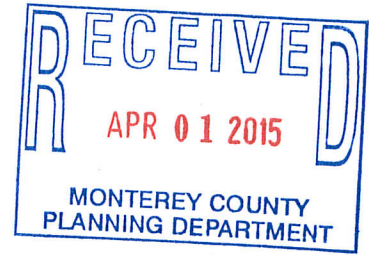
Best Regards,

Amy Clymo
Supervising Air Quality Planner

cc: Jaime Hernandez/MBUAPCD
Bob Nunes/MBUAPCD

Bogdan, Grace x6414

From: Steve Craig [stevecraig.turtlecreek@gmail.com]
Sent: Wednesday, April 01, 2015 2:18 PM
To: Bogdan, Grace x6414
Cc: Novo, Mike x5192; Jeff Kuyper; Mike Splain
Subject: MND on the Trio Petroleum Site



Grace:

Sorry I have not had time to get comments in on your MND.

My work with a large expansion of a project in Montecito this month has taken up every available moment until today. If a five day extension is feasible, I would be glad to comment more fully and in greater detail. Let me know if this is possible.

In very brief form, here are my comments (I will expand on them at the public hearing, or, if you are inclined, I can write something more fully stated tomorrow as the Montecito document review was a paying job, monitoring the oil expansion is an expense without financial compensation).

1. This well will require a continuous flare, 24 hours a day, based on the prior testing program. I would suggest the addition of a mitigation measure that requires a scrubber, or best available technology to suppress the rate and quantity of flared gas. While this particular well is in a remote location relative to receptors, I think it is important to establish a best management practice standard for all flaring. Unfortunately, unlike San Ardo, where Chevron collects and uses this flared gas for powering the Reverse Osmosis system, Trio is a small operation, and this is a single well.
2. Based on what I have learned from DOGGR, the complete production report that Venoco should have submitted within three years of initial testing, has not been given to the County. It may be protected by various shields, both corporate and civil ("trade secrets"), however, there was no evidence that Venoco had filed a request for an extension on this production reporting. This is an important issue because the applicant is claiming that the drilling and extraction is a "test" phase; this well has already been tested and been found wanting for commercial production. Venoco pumped it, by my recollection, for a about 4 to 6 months.
3. How does the County distinguish between repetitive testing, as in this case, and simple production work. How many times does the well need to be tested before a determination is made that we have moved on to a development and recovery step.
4. There is a legal problem that is of concern regarding the way the testing programs work; basically, they establish the legal authority (through vesting) for a new field, if a well proves to be commercially viable, before the County has an opportunity to determine if it is appropriate to open a new field, similar in size to San Ardo, in Hames Valley.
5. This is an acid injection well, based on the description, as I can make it out. Therefore, it needs to comply with state requirements passed last year for acid use in injection into the lower aquifers.
6. I would eliminate the options on disposal and simply require that all sludge and chemical separation by product be taken to a lined Class I landfill for disposal. Given a choice, any oil company, particularly a small one like Trio, will opt for injection rather than Class I

disposal at a landfill. There are a number of problems with injection disposal that have come to the attention of the legislature. Now, there is new legislation proposed, similar in concept to SB 4, to close the management of issues related to treatment of chemicals in the injection process and pollution of upper aquifers.

7. Relative to aesthetics, I think there is some confusion in the document about Phase I of work, which involves usually a 125 foot rig, fully lit 24 hours a day, and the pumping rig, which is about 22 feet high. I think you should require that the portions of the embankment adjacent to Jolon Road and southerly trending embankments surrounding the project be planted with some relatively fast growing native plant such as Toyon and Mountain Mahogany. Both are very xeric and will take little water. However, there is no reason that the entrance to Hames Valley must be industrial in landscape design. Both of these plants are routinely available. If planted about 4 feet on center, within a few years, they will screen the entire operation from the road into the back country and Lockwood Valley.

8. Casing issues: the casing status is not clear on this well. Is it fully cased with cement to the 10,000 foot level, where extraction is supposed to occur, or is it only partially cased through the upper aquifers. I would suggest that you condition the project to fully case the well through to the 10,000 foot level to prevent interactions between potable and non-potable aquifers.

9. To assume that the lower aquifers below present water sources will not be needed in the future for potable purposes (with treatment) is something that should be given some attention in the document. To simply write off the deep aquifer as unusable has been a convenience often used by the oil companies to simply not address the reality which is the surface and deep aquifers are beginning to interconnect due to dropping water gradients, fracking which produces unpredictable connections between upper and lower aquifers.

Let me know if you can provide an additional five days for comments. If not, I will expand on these issues when the hearing is held. If no short extension is possible, please include this email in the administrative record for the decision. I would like to expand my comments on what constitutes a development well versus a test well, and how many sequences of testing are required to characterize a formation.

Overall, good effort, but I think these preceding issues are quite important.

How did the new language and text for the Code come out? Were you satisfied?

Take care,

Steve Craig