

Exhibit J

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Schubert, Bob J. x5183

From: Steve Craig <stevecraig.turtlecreek@gmail.com>
Sent: Thursday, March 01, 2018 1:33 PM
To: Schubert, Bob J. x5183; Mary Hsia-Coron; charles rowley
Subject: Re: Did Trio Appeal the Planning Commission denial? - response

Bob and Mary:

I will take the appeal letter, point by point, and provide a rebuttal before the hearing.

Some of the information in the 2016-2017 BLM EIS on this region, for fracking of federal leases in this and other nearby valleys, can be incorporated to strengthen the Planning Commission arguments and the tone and content of the Initial Study analysis.

In addition, if this well set is designed to be exploratory, then I think it reasonable for the County to prohibit any resale sale of the oil extracted, if the purpose is merely to test the deeper strata of the Hames Valley formations for production capability. Trio Petroleum's long term pattern of conduct is to drill on the periphery of known fields, to extract well product AND SELL IT FOR A PROFIT; exploratory work is or should be a scientific endeavor, to test for the presence or absence of oil. And, such tests presume there is a willingness to expand the San Ardo Field which is inconsistent with the General Plan and sound social planning for adequate water supplies for domestic and agricultural use. So what is the point of this set of well applications?

Given that the entire Hames Valley was sonically mapped several years ago by a firm funded by a major Texas oil speculator, I think testing data from the field associated with this application would likely be redundant to the results of the sonic testing which detailed where oil pockets remain outside of the San Ardo field. I remain of the opinion that this is an attempt to extract oil for a marginal profit, not for evaluation of future uses, or expansion of the San Ardo Field. So the underlying purpose of this "test drilling" is at issue. It is putting the cart before the horse, to use a colloquialism that applies in this case, to further test Hames Valley unless there is a willingness to expand the San Ardo field to include Hames Valley, for which, among others, I am sure the thousands of acres of Sheid Vineyards ownership would be averse.

This well set is going to be drilled into Shale, according to known stratigraphic profiles, not in steam injection strata in San Ardo exploited by Chevron, which do not exceed a depth of several thousand feet of overlying sandstone. Shale extraction is pointless without the use of surfactants, acid, or other amendments. Their disposal is a contamination issue.

I noticed in the appeal that all groundwater at depth, below the portion of the well that will be sealed, are designed for well casing sealing; this only addresses protecting the shallow aquifer of the Salinas River (the appeal is obviously a cut and paste job, as the language refers to the Central Valley aquifer in places, which has no bearing on the issue). These deep aquifers must be protected for long term use for agriculture and potable water conversion. Simply saying that water in deeper strata are not potable is unacceptable; this deep water may be the only source of water for the future generations, as water gradients sink, the arctic ice melts, and droughts extend their periodicity in ALL mediterranean climates in Africa and North America. To wit: see the issues that have arisen in Cape Town with chronic drought and the use of deep water aquifers and desalinization projects to meet basic potable water needs for an entire City slated to be without a municipal supply by Summer 2018..

Fossil fuel processing and extraction are clearly destroying the balance of wind and water forces in both the North Pacific and North Atlantic oceanic oscillations according to NOAA, increasing carbon processing has fueled a massive de-icing of Greenland, Iceland, Alaska and causing the relocation of 3,000 year old Inuit human settlements in the Bearing Strait and in Alaska.

Fossil fuel effects are serious and a growing concern; shifting to renewable resources is a critical goal and should become the General Plan priority for our South Valley region. There is more than adequate room for the development of solar fields and it is pathetic to see that so far, in south County, only Camp Roberts has taken the problem seriously and built a major solar farm to provide consistent, non-groundwater contaminating sources of energy in south County.

Please note that the appellant's signature is a squall of ink, and does not identify the actual appellant at the legal firm which filed the appeal with the County. I would like to know the name of the attorney who actually prepared this appeal. I hope this attorney has the scientific credentials and background to make the technical and data sourcing arguments made in the appeal.

In the meanwhile, I will assemble more scientific references to bolster the MND conclusions, and in some cases, to take issue with the weak analysis therein.

Please forward to the appellants since they have no email or personal identity, other than a squall of ink.

Regards,

Steve Craig
Charles Rowley
Citizen Planning Alliance of South Monterey County

> On Mar 1, 2018, at 12:44 PM, Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us> wrote:

>
> Steve,
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> Yes they appealed (see attachment) and it is scheduled for the April 3 Board meeting.

>
> Bob Schubert, AICP
> Senior Planner
>
> Monterey County
> RMA-Planning Department
> (831) 755-5183

>
> -----Original Message-----
> From: Steve Craig [mailto:stevecraig.turtlecreek@gmail.com]
> Sent: Thursday, March 01, 2018 10:54 AM
> To: Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us>
> Cc: Mary Hsia-Coron <mary.hsiacoron@gmail.com>
> Subject: Did Trio Appeal the Planning Commission denial?

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> Bob:
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> I have not seen any notices of appeal or review in the notice sets I now receive.

>
> Did Trio appeal their denial to the Board?

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> If so, when will it be heard.

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> If not, that is good.

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> Thanks,
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> Steve Craig
> Charles Rowley
> Citizen Planning Alliance of South Monterey
> <Trio Petroleum Porter Estate Bradley Ranch.pdf>

Schubert, Bob J. x5183

From: Steve Craig <stevecraig.turtlecreek@gmail.com>
Sent: Monday, March 05, 2018 12:02 PM
To: Schubert, Bob J. x5183
Subject: Re: The Takings Argument in the Appeal Letter
Attachments: Trio Appeal.pdf

Bob

Here is the pdf of the pages file.

What is the word processing program you use?

Steve

On Mar 5, 2018, at 10:19 AM, Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us> wrote:

Steve,

Could you send this in Pdf? I can open the document but can't get it to print or copy it.

Bob Schubert, AICP
Senior Planner

Monterey County
RMA-Planning Department
(831) 755-5183

From: Steve Craig [<mailto:stevecraig.turtlecreek@gmail.com>]
Sent: Monday, March 05, 2018 10:14 AM
To: Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us>
Cc: Mary Hsia-Coron <mary.hsiacoron@gmail.com>
Subject: Re: The Takings Argument in the Appeal Letter

Bob

Yes, sorry about that.

This is just a draft of one section.

I will be writing a lengthy response to the appeal.

Attached is the "Trio Appeal Response", the part on takings.....

This is in pages (a Mac based program). If it does not convert automatically to Word, or some usable form, let me know.

Steve

> On Mar 5, 2018, at 10:03 AM, Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us> wrote:

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> Steve,

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> The only attachment was the appeal notice. Did you mean to attach comments?

>

> Bob Schubert, AICP

> Senior Planner

>

> Monterey County

> RMA-Planning Department

> (831) 755-5183

>

> -----Original Message-----

> From: Steve Craig [<mailto:stevecraig.turtlecreek@gmail.com>]

> Sent: Thursday, March 01, 2018 6:37 PM

> To: Schubert, Bob J. x5183 <SchubertBJ@co.monterey.ca.us>; Mary Hsia-Coron
<mary.hsiacoron@gmail.com>

> Subject: The Takings Argument in the Appeal Letter

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> Bob and Mary:

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> I am still doing some research to strengthen this section.

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> However, most of the main points are made relative to takings arguments in this case.

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> I will be working on other sections of this the coming weekend.

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> Hope all is well,

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> Steve

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Monterey County Appeal: Trio Petroleum

B: The Takings Argument

The "takings argument" is a tired, partisan, unhelpful and inapplicable point of law in this case. Takings proceedings became popular over the past 15 or 20 years as a means to slow or interrupt activities and undertakings by local government designed to serve the common good.

"Takings arguments" were originally applied primarily to Redevelopment Law in California, primarily in an effort to award higher levels of compensation to business or property owners in dis-invested downtowns. The takings argument has also been made in the case of the normal regulatory efforts of state and federal agencies, and is based on the premise that an individual property owner has no obligation to serve the common goals and common good of the community that they reside in. Takings arguments expanded during the past 20 years as politically divided Appeals and State Supreme Courts across the Country heard increasing numbers of arguments designed to increase property owner compensation for public projects which involved eminent domain and land use controls.

Applicability of takings arguments in the present case are shallow, inappropriate, politically motivated, and are premised on the logic that unless a parcel of earth can be owned, mined, drilled, built upon, or displaced, without regard for land use law and the common good, the local agency is "taking away" its economic use. The takings lawsuit is a vehicle with the intent of creating a sense that an applicant is a "damaged" party if they are unable to get a local or state or federal land use agency to comply with their interests and wishes. It is not anything but ironical that the cited law comes from a decision that was made concerning coastal issues in South Carolina, at a time and period when law and policy in this state was clearly biased against the concept of the 'highest and best use for the public good', when dealing with evidently and clearly "public resources" such as the sea strand, largely occupied by wildlife and waves, but claimed as a "view ownership" by adjacent landowners. The case is slender, the logic is flawed and the culture is miles away from the culture of Monterey County, California.

"Denying an owner economically viable use of their land" is a very broad standard; and this definition implies that an owner has to be impeded to the degree that a taking, usually of land and property, prohibits economic use. There is no taking of land in this case, there is a denial of an incompatible use of the land with surrounding and planned future land uses.

In the present case, other than oil speculating, there are many many valid and approvable land uses to which the subject property might be placed, in this case, uses remain for economic benefit such as cattle grazing, vineyard installation (consistent with the General Plan), row cropping on seasonal rotation, planting of orchards of various kinds, including the fine quality Olive Oil from the Bradley region, cattle and sheep grazing, and greenhouses, to name only a few possible residual economic uses once if oil speculating is denied. There are many potential beneficial uses that can occur on the property where this well is proposed; the County has deemed that one proposed land use is harmful potentially and inconsistent with the General Plan. Absolutely nothing has been taken from anyone. No changes of ownership, no eminent domain, no incompatible land use designation, nothing of the sort.

The Fifth Amendment to the US Constitution states (impugned applicable sections in bold):

*No person shall be held to answer for a capital, or otherwise infamous crime, unless on a presentment or indictment of a Grand Jury, except in cases arising in the land or naval forces, or in the Militia, when in actual service in time of War or public danger; nor shall any person be subject for the same offence to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself, **nor be deprived of life, liberty, or property, without due process of law; nor shall private property be taken for public use, without just compensation.***

Let us break this down a bit:

1. A land use decision, in this case denial of an application to speculate regarding the presence of oil under a certain parcel of land, does not deny the use of life, liberty or property--as I have enumerated, a land use law allows for many other beneficial uses, but drilling oil has been deemed incompatible with human health, safety, long term planning goals, adopted goals of the general plan, and other features of local planning law.
2. No private property has been taken for public use, and
3. Since there is no "taking of property for public use", the proposed use is private, compensation is not at issue.

Thus, nothing in the language of the Fifth Amendment actually applies to a temporary oil well drilling project since no land is taken, no compensation offered by a public agency, and no owner is denied use without due process. The County land use evaluation process IS due process. The applicant just did not like the outcome. Hardly can it be said that denial of a speculative oil drilling platform "goes too far" in the regulation of the subject property.

Finally, takings are nearly always argued by the land owner of a property who feels aggrieved. In this case, Trio Petroleum is not a land owner, but has only a rental-tenant or ground lease interest in the subject property and therefore Trio is not custodian of the private landowner's interest, particularly in a case when the land owner has many other ways to take the engine of public economic life and make money off their holdings. I would question whether a potential ground lease tenant for drilling even has sufficient standing to make a "takings argument" in this case as the landowners interest and the tenant use interest may well diverge.

Now let us look to the citation of law that supposedly lifts a speculative driller to a standing suitable to bring a takings charge against the County. First, the applicable law was decided in 1958 (Braley versus City of Los Angeles). Who is the mineral rights owner in this case, the landowner, or the speculator? And have not conditions of technology related to drilling been significantly changed since 1958? Must not extra care be taken in evaluating this land use in the highly chemicalized environment of modern drilling?

Land owners may have an exclusive right to drill, or right to lease space to a driller, meaning no other party may undertake such activity without the landowners permission, but this does not set aside all the other concerns and issues of justice, equity and health to the public that oil drilling raises. A right to drill is not a permit to drill; it is a permit to apply to drill, with any future drilling land use firmly at the discretion of the permit requirements of a local land use authority for all

above ground activities, and at the discretion of the State Division of Oil and Gas and Geothermal Resources (DOGGR abbrev.) for only those activities below the well head. This state permit does not foreclose a local agency from considering such issues as land use and general plan compatibility, overall changes in groundwater gradient affecting Hames Valley, safety of present AND FUTURE sources of potable water for existing agricultural uses (primarily very extensive vineyards), and other health and safety issues in making its decision.

While the antique Braly ruling, (in place long before fracking, steam injection, or other modern recovery methods were in an intensive chemical-status like drilling operations of the present), states that the property (meaning land) is "as much entitled to protection as the property (sic) (Appeal Page 4 B.2) itself" cites even older law dating to 1935. It is evident that methods of operation and the mechanics of extraction have much changed since 1935; the dispersion of subsurface chemicals from fracking chemical injection recovery, and disposal of chemical laden offal by injection into groundwater, were all not uniformly practiced or intensively used in 1935 at the time of this decision.

Further, we agree that the property is entitled to protections from the damages and harm that such drilling can do to the subject property--which is another possible literal reading of the language in this now nearly 100 year old decision. The use of old law to sustain old energy policy is an endless and damaging self fulfilling loop. None of these citations in the appeal letter refer to conditions that the County must consider: we now live in an age of declining water resources, global climate change, severe arctic ice melt (which will impact water resources locally---note the present drought and declining groundwater and reservoir levels, changing groundwater gradients in the Hames Valley, and the reservation of deep Pleistocene bedded water supplies as usable stored reserves of water which in the future, as supplies in local near-surface groundwater basins dwindle, which once placed through Reverse Osmosis, can produce much potable and agricultural water. This is a complex issue an involves more than the narrow self interest of Trio Petroleum.

While Kern County, the most polluted and under-managed oil producing County in California (DOGGR prepares environmental review for the County and rubber-stamps or exempts most oil field applications in this County may make "sacred" the property rights of an oil speculator), this does not diminish, eliminate, or modify the property rights of individuals downstream, adjacent, or in aquifer contact with the subject property proposed for drilling, nor does it invalidate the various public value and public commons issues that the County must weigh in deciding whether to grant a speculative oil drilling permit.

Holding a property right, like owning a house, does not mean that you suddenly have an excess of rights to proceed with a drilling operation, anymore than a home owner can use money "implied" in the ownership of a house--first the house must sell. In otherwords, this rather antique and authoritative grant of property rights status does not mean that meaningful deliberation and decision-making both by the County and DOGGR cannot be applied to an application. The tone of the appeal letter suggests that ownership of a ground lease to drill implies an absolute right of use and extraction and if such a use is not always granted, damages must be awarded. Such is not the case. All land uses are contingent on comparing the undertaking to good planning practice, the public good, the general plan, and all applicable law, including water law. More on this later.

The entire second paragraph is contingent on the assumption that Trio moved forward with obtaining a lease without first obtaining local and DOGGR approvals, and seeing these approvals through the land use appeals process, and any subsequent Court intervention reviewing the local land use review. Given the Measure Z statement by the public about their interests and intents in establishing a minimum oil presence footprint in Monterey County, it would simply be foolish to think that Trio would sign a ground lease without obtaining all discretionary approvals and taking these approvals through any administrative and Court process. Possession of a lease, obtained prematurely, is foolish, particularly now in this County. And the County is not obligated to compensate a speculator not in possession of a land use permit and form of damages. If a permit was granted, and then withdrawn, perhaps a case for limited damages could be made using fulfillment logic. This does not apply to the present case.

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