

Excelaron Conditional Use Permit

pteixeira@co.slo.ca.us

05/08/2012 11:24 AM

dgeaslen

1 attachment

PDF

SLO BOS Teixeira5-8-2012004.pdf

Dear Supervisor Teixeira,

Please accept the attached letter in support of The Excelaron LLC Conditional Use Permit.

Thank You,

William Palmer

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Supervisor Paul Teixeira
San Luis Obispo County Board of Supervisors
1055 Monterey Street, Suite D130
San Luis Obispo, Ca. 93108

May 8, 2012

Via email: Supervisor Paul Teixeira - pte@teixeira-coslo.com

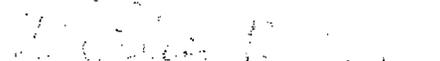
Re: May 15, 2012 Board of Supervisors Hearing for
Excelsior LLC (Markins) Conditional Use Permit

Dear Supervisor,

Individual property rights are vital to a free and fair democracy. The right to own land and to exercise control over that land is fundamental to a strong and economically sound society. Without ownership, one is always at the mercy of others who may choose to levy excessive taxes or to evict tenants altogether. When a person owns something, they take care of it because their future lies with that ownership. Ownership however, is not without responsibility. Property owners have a duty to be good neighbors to others, as well as an obligation to the larger community. First, they must be good citizens. They must not deliberately, or without just cause, diminish or otherwise restrict the rights of their fellow citizens' ownership. Second, while it is a favorite pastime of a people blessed with that right, to complain about government and taxes, we nevertheless need, and must be willing to pay for, a structure to reasonably and responsibly administer and adjudicate the laws to which we have collectively agreed. So, part of our responsibility as owners is the payment of property taxes, whether surface or mineral. With ownership comes rights...and responsibility. One cannot expect to have one without the other.

I am an owner of mineral rights in the Thuisma area. Our family has paid taxes on these rights when due, and I expect to do so in the future. Whether I live on that land as my father and grandfather did, or in San Luis Obispo, as I did while attending Cal Poly, or reside in Northern California as I do now, I still am still an owner. I would not expect to, nor would I wish to, direct a surface mineral owner as to how he can exercise his rights. I respectfully request the same courtesy and ask that you approve this conditional use permit. Thank you.

Sincerely,


William Palmer

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Mankins Ranch Letter

Tim Palmer

to:

dgeaslen@co.slo.ca.us

05/08/2012 12:28 PM

Hide Details

From: Tim Palmer <tpalmer@bomusd.org>

To: "dgeaslen@co.slo.ca.us" <dgeaslen@co.slo.ca.us>

1 Attachment

Hausna letter 5-8-12 Teixeira.doc

Good Day,

I have emailed the following note to the Supervisor as well as the attached letter. I wanted you to be informed as well. Thank you for your time in helping review and deal with this project. If you need anything further from me before the meeting on Tuesday, please ask.

Sincerely,
Tim Palmer

Thank you for your time in serving the people and the County. I teach American and California government at our local college and have many elected leaders come to speak in my classes. It is always a pleasure to allow my students to see that our officials are well studied and well intended and accessible. I appreciate your time in considering the Mankins Ranch Project.

*Please read the attached letter as I believe it introduces my view on this matter clearly.
I look forward to meeting you on Tuesday.
Sincerely, John "Tim" Palmer*

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web5043.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/8/2012
POSTED 5/9/2012

Dear Supervisor Teixeira,

5-8-2012

This letter is regarding the Excelaron Project at Mankins Ranch.

My grandfather and his brother homesteaded in the Huasna area in the early 1880's. They worked hard to clear and fence the land to raise cattle and goats and develop an orchard to provide their livelihood. It was not an easy task to make a living in the rocky hills then and it is not now. Though oil had been discovered on the property and was actually seen rising to the surface over one hundred years ago, some rudimentary wells showed that it was too thick to be extracted in a cost effective way. My family certainly did not get rich and my grandmother had to sell the property in the 1940's due to the economy and taxes. She kept one half of the mineral rights on the land where the oil was known to be because she knew its value.

I have read the letters from the neighboring property owners about their concerns for the responsible development of these mineral rights and I agree with them. We must be good neighbors and do what we can to protect our community, our individual rights, and the value of our properties. Careless exploitation of property is a shameful thing and an environmentally dangerous practice. We all live on the land and survive from the benefits of the land. Good husbandry of the land and a careful livelihood from it are essential to our coexistence with it.

Each of us relies on the most basic rights of life, liberty and property. The difficulty and conflict that emerge are when our rights overlap one another's. Each of our rights is important to us and to our community.

The immediate mediator and protector of these rights are the oversight powers of the county through you, our County Supervisors. If it can be assured that all of our rights are equally ensured through a careful land use plan, then, and only then, can we be assured that our ways of life and all of our land values and livelihoods are safeguarded. It would be an unequal treatment for one's rights to be afforded and another's denied.

My grandfather lived in a very quiet world. There were no cars or electric lights when he opened seventeen gates to get to town on the road that he and his neighbors maintained. The ranches were far and wide between. Our family has held on to and maintained the mineral rights that he homesteaded while houses and roads, business and communities have made changes to the area. During this 130 year timeframe our family's expectations have been maintained through decades of leases and mineral mapping. New technologies now allow the long held rights to be exercised in a productive and reasonable manner. This undertaking is not a rash or imprudent thing to do, but a careful and conscientious continuance.

Thank you for your consideration and understanding of my family's enjoyment of our long held heritage.

Respectfully submitted,

John T. Palmer

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Excelaron's Proposed Oil Evaluation Effort in the Huasna Valley

Diann Stow

to:

Paul Teixeira

05/07/2012 08:27 AM

Cc:

"Deb Geaslen"

Hide Details

From: "Diann Stow" <distow@roadrunner.com>

To: "Paul Teixeira" <pteixeira@co.slo.ca.us>

Cc: "Deb Geaslen" <dgeaslen@co.slo.ca.us>

May 7, 2012

San Luis Obispo County Board of Supervisors
1055 Monterey Street, 4th Floor
San Luis Obispo, CA, 93408

Dear Supervisor Teixeira,

Excelaron's application for a conditional use permit for their proposed oil evaluation effort in the Huasna Valley was recently denied by the San Luis Obispo County Planning Commission even though the evaluation impact report provided third-party, independent evidence that the project could be implemented in an environmentally safe and responsible manner.

Please consider the following factors and reverse this decision and approve Excelaron's proposed oil evaluation effort. Such evaluation and subsequent production, should production be deemed viable, will:

1. Financially benefit all San Luis Obispo County residents due to additional tax revenue to the county.
2. Provide jobs for San Luis Obispo County residents.
3. Improve the local economy due to increased spending in the county from workers' income.
4. Reduce our dependency on foreign oil.
5. Lower oil prices for consumers.
6. Enable evaluation and subsequent production to be performed in a safe and eco-friendly manner in accordance with all requirements imposed by San Luis Obispo County, as well as state and federal requirements.

7. Allow oil production to co-exist with local residents as has been done for the last century in California, which is indeed part of California's great heritage.
8. Enable owners of mineral rights to exercise their prerogative to develop such minerals as guaranteed by the Constitution of the United States of America.

As a mineral rights owner in the area of the Huasna Valley Excelaron's proposed oil evaluation effort, I again urge you and the other supervisors to support and approve this project.

Sincerely,

Diann Stow

cc. County of San Luis Obispo Board of Supervisors/Legislative Aides

District 1 - Frank Mecham/Vicky Shelby

District 2 - Bruce Gibson/Sherie Aispuro

District 3 - Adam Hill/Susan Devine

District 4 - Paul Teixeira/Deb Geaslen

District 5 - James Patterson/Amy Gilman

Mankins Ranch Mineral Development Project

K E Clink

to:

pteixeira

05/07/2012 11:55 PM

Cc:

dgleaslen

Hide Details

From: K E Clink <iolbrnbear@live.com>

To: <pteixeira@co.slo.ca.us>

Cc: <dgleaslen@co.slo.ca.us>

San Luis Obispo Board of Supervisors

District Four

I am a Mineral Rights holder of property in the Huasna Valley, commonly known as Mankins' Ranch. I have been in close connect with the Developer of this resource, Excelaron LLC. It is my belief that they have taken all reasonable steps to meet the demands of the community at large and to alleviate the concerns of the few.

I was disappointed to be informed, that Planning Commission recommended denial of a permit to initiate this needed project, without any viable foundation. From my position it would appear that the NIMBYS had disproportionate influence over the proceedings.

This project will provide both short term as well as long term increase in jobs. The Santa Maria Times report the unemployment rate for the county is still approaching 9.0%. No community can sustain itself with this unemployment level on a long term basis.

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web3058.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/8/2012
POSTED ON: May 9, 2012

I am a descendant of Don Francisco Ziba Branch and if the land owners of the 19th Century had the same attitude as the NIMBY'S of today, there would be no City of Arroyo Grande and the Huasna Valley would remain under the control of the Deer and the Grizzlies.

With the deficits that all counties are facing these days' new sources of revenue should be welcomed.

Sacramento has taken every possible step to prove to business that they are not welcome in this state, is it required for every county to match this effort? Revenue and jobs created by the Mankins' Ranch project will not only benefit the general fund, but it will also make contribution to the schools.

Last I checked gasoline was selling at the pump for over \$4.00 per gallon, which cannot be beneficial to any consumer, business or community.

Every dollar of foreign oil we buy from the Mid East provides funding for the terrorist and drug cartels. No reasonable person is going to claim that this project will reverse that trend, but maybe 10,000 such projects across the country will have a positive impact on the level of foreign oil we import daily.

It has been reported that 60% of the voters in the county support increased drilling for oil on private land. This is an opportunity for the Board to listen to the many and not the few well organized nay sayers.

Support a larger tax base; support increased employment and support greater security for this great country.

Sincerely,

K E Clink

Excelaron/Huasna Valley Project

George Ogden

to:

pteixeira, dgeaslen, jpatterson, agilman

05/06/2012 04:57 PM

Hide Details

From: George Ogden <fog_den@pacbell.net>

To: pteixeira@co.slo.ca.us, dgeaslen@co.slo.ca.us, jpatterson@co.slo.ca.us, agilman@co.slo.ca.us

To whom it may concern;

This message represents the views of Louise Ogden and her family regarding the exploration and development of the Huasana Valley oil project. For several generations our family has held mineral rights that are part of the project. We support the Excelaron project to explore the feasibility of development of oil extraction from this property. We trust that Excelaron will be diligent and responsible in their efforts to limit and mitigate the environmental impact on the community.

We also trust that the San Luis Obispo Planning Commissioners will be fair in their judgment between the interests of all parties concerned: the mineral rights holders, the developer, the community and the natural environment. We are confident that you, the Commissioners, will communicate to Excelaron the necessary mitigations to enable a permit for the project.

We believe that the mineral rights owned by our family have value. They represent an asset that we have expected would produce income eventually. We do not believe that the Planning Commission should be allowed to summarily reject the permit without giving an avenue for recourse. It seems tremendously unjust that your decision could render the long-held assets of our family to be valueless.

Sincerely,

The Family of Louise R. Ogden

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2648.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/9/2012
POSTED ON: May 9, 2012

Fw: Letter in support of Huasna Project

James Patterson, Adam Hill, Bruce
Gibson, Paul Teixeira

05/04/2012 09:11 AM

----- Forwarded by Fran Zohns/BOS/COSLO on 05/04/2012 09:10 AM -----

From: Vicki Shelby/BOS/COSLO
To: Board of Supervisors/BOS/COSLO@Wings, Cherie Aispuro/BOS/COSLO@Wings, Amy
Gilman/BOS/COSLO@Wings, Debbie Geasten/BOS/COSLO@Wings, Susan
Devine/BOS/COSLO@Wings, cr_board_clerk Clerk Recorder/ClerkRec/COSLO@Wings
CC: Ramona Hedges/Planning/COSLO@Wings
Date: 05/02/2012 10:02 AM
Subject: Fw: Letter in support of Huasna Project

Vicki M. Shelby
Legislative Assistant
First District Supervisor Frank R. Mecham
1055 Monterey St., D430
San Luis Obispo CA 93408
(805) 781-4491/FAX (805) 781-1350

email: vshelby@co.slo.ca.us

"Thinking a smile all the time will keep your face youthful" - Frank G. Burgess
"Wrinkles should merely indicate where smiles have been" - Mark Twain

----- Forwarded by Vicki Shelby/BOS/COSLO on 05/02/2012 09:12 AM -----

From: Lori Lawson <lorilawson357@yahoo.com>
To: "vshelby@co.slo.ca.us" <vshelby@co.slo.ca.us>
Date: 05/01/2012 04:28 PM
Subject: Letter in support of Huasna Project

Vicky: Attached is a letter in support of the Huasna Project, submitted by my father,
Gerard L. Parsons. Please print and forward to Supervisor Mecham. Thank you - Lori
Lawson [attachment "BOS Mecham Support Letter- G Parsons (5-1-2012).doc" deleted by
Fran Zohns/BOS/COSLO]

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Re: Meeting request- Norris Palmer (209)609-6736 re: Excelaron Project

Fran Zohns

05/04/2012 12:05 PM

Fran

Mondays, Tuesday are not good days for constituent meetings. Wednesday or Friday at Pauls office in SLO or Thursday in S. County.

Meeting with constituents now regarding Excelaron gets tricky. Its past the public hearing period and disclosure is very important. So Paul will accept emails but will not be responding with any opinion. I will ask him about this meeting specifically and let you know.

Deb Geaslen

Legislative Assistant

District Four Supervisor Paul Teixeira

(805) 781-4337

Fax (805) 781-1350

E-mail: dgeaslen@co.slo.ca.us

Fran Zohns

Norris Palmer (209)609-6736 re: Excelaron Pro...

05/04/2012 11:57:10 AM

Created

Fran Zohns/BOS/COSLO

For

Susan Devine/BOS/COSLO@Wings, Frank Mecham/BOS/COSLO@Wings, James Patterson/BOS/COSLO@Wings, Adam Hill/BOS/COSLO@Wings, Bruce Gibson/BOS/COSLO@Wings, Amy Gilman/BOS/COSLO@Wings, Debbie Geaslen/BOS/COSLO@Wings, Paul Teixeira/BOS/COSLO@Wings, Cherie Aispuro/BOS/COSLO@Wings, Vicki Shelby/BOS/COSLO@Wings

Date

05/04/2012 11:57 AM

Subject

Meeting request- Norris Palmer (209)609-6736 re: Excelaron Project

Norris Palmer (209)609-6736 re: Excelaron Project - his great-grandfather homesteaded in the area and mineral rights have been in the family over 130 years- have been paying taxes on those mineral rights all this time- would like to be able to speak with each board member in support of the project. Mr. Palmers 90 year old grandfather and three other family members will be coming in with him from Sacramento area for the BOS May 15th meeting and would appreciate meeting with BOS members on May 14th (afternoon if possible). Please let me know so I can advise.

norris.palmer@sbcglobal.net

Fran Zohns

Board of Supervisors

San Luis Obispo County

(805)781-5450

ITEM #20

MEETING DATE: May 15, 2012

PRESENTED BY: Supervisor Paul Teixeira

RECEIVED PRIOR TO MEETING

POSTED ON: May 9, 2012

EACH SUPERVISOR
RECEIVED COPY

RECEIVED

MAY - 3 2012

May 1, 2012

Board of Supervisors
San Luis Obispo County

**SAN LUIS OBISPO COUNTY
BOARD OF SUPERVISORS**

Supervisor Teixeira
1055 Monterey Street, 4th Floor
San Luis Obispo, CA 93408

RE: HUASNA VALLEY OIL PROJECT

Dear Supervisor Teixeira,

I am a mineral rights owner in the Huasna Valley, and I support Excelaron's proposed oil evaluation effort. My family has granted Excelaron an access easement across our ranch. We have been in the Huasna Valley for generations, and we know that this field has seen oil exploration and some production during the past 100 years. As property owners, we have been good stewards of the land. As mineral rights owners, we also have a legal right to explore the land in a safe manner.

We have paid close attention during the past six years to Excelaron's commitment to work with San Luis Obispo County and the public to address every concern that local residents have raised with the proposed project. As you know, Excelaron has amended the truck route to avoid Arroyo Grande, and it has amended its project description to show exactly what a fully viable project at capacity of production would look like – a total of 12 wells – all at the request of some opponents who continue to mischaracterize this project in every way. None of my many family members objects to this project.

As we understand it, this is first and foremost an oil evaluation project, and current technology will allow Excelaron to conclude if commercial oil production is viable at this site. Should the company not be provided a fair and reasonable opportunity to pursue its project, every mineral rights owner in the area will be told directly by you, our elected officials, that our investment is worth NOTHING. In these difficult economic times, for both the private and the public sectors alike, the county should not be sending an unfriendly business message to developers, property owners, or mineral rights owners.

I respectfully urge you and the other supervisors to support and approve this project.

Sincerely,



John Porter

Cc: Supervisor Jim Patterson
Supervisor Adam Hill
Supervisor Bruce Gibson
Supervisor Frank Mecham

ITEM #20
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Fw: Letter in support of Huasna Project
Board of Supervisors, Cherie Aispuro, Amy
Gilman, Debbie Geaslen, Susan Devine,
cr_board_clerk Clerk Recorder

05/02/2012 10:02 AM

Ramona Hedges

Vicki M. Shelby
Legislative Assistant
First District Supervisor Frank R. Mecham
1055 Monterey St., D430
San Luis Obispo CA 93408
(805) 781-4491/FAX (805) 781-1350

email: vshelby@co.slo.ca.us

"Thinking a smile all the time will keep your face youthful" - Frank G. Burgess
"Wrinkles should merely indicate where smiles have been" - Mark Twain

----- Forwarded by Vicki Shelby/BOS/COSLO on 05-02-2012 09:12 AM -----

From: Lori Lawson <lorilawson357@yahoo.com>
To: "vshelby@co.slo.ca.us" <vshelby@co.slo.ca.us>
Date: 05/01/2012 04:28 PM
Subject: Letter in support of Huasna Project

Vicky: Attached is a letter in support of the Huasna Project, submitted by my father, Gerard L. Parsons. Please print and forward to Supervisor Mecham. Thank you -- Lori

Lawson BOS Mecham Support Letter-G Parsons (5-1-2012).doc

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

848 Venable Street
San Luis Obispo, CA 93405
May 1, 2012

Supervisor Frank Mecham
SLO County Board of Supervisors
1055 Monterey Street, 4th Floor
San Luis Obispo, CA 93408

Dear Supervisor Mecham:

As a long-term resident in San Luis Obispo for the last 93 years, I am writing this letter to voice my support for the Oil Evaluation Project proposed by Excelaron LLC located on the Mankins Ranch in the Huasna Valley.

I have paid close attention over the last six years, to Excelaron's commitment to work with San Luis Obispo County and the public to address every concern that local residents have with the proposed project. As you know, they have amended the truck route to avoid Arroyo Grande, have amended their project description to show exactly what a fully viable project at capacity of production would look like—a total of 12 wells, all at the request of NIMBY opposition who continue to unfortunately, mischaracterize this project in every way.

Current technology will allow Excelaron to conclude if commercial oil production is viable at this site. This project could potentially bring many community-wide benefits including the creation of 100 jobs and upwards of \$350,000 per year in tax revenue to the county. In these tough economic times, with major budget deficits, high unemployment, and a nation that is acknowledging that we MUST become more energy independent, Excelaron will represent a step toward energy diversity. Our county and our nation needs to move forward to a more stable energy security.

I urge the Board of Supervisors to support and approve this project.

Sincerely,

Gerard L. Parsons

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

RECEIVED

MAY - 2 2012

Board of Supervisors
San Luis Obispo County

April 26, 2012

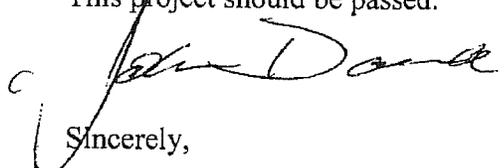
San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Dear Board of Supervisor:

The drilling project in the Huasna area will create a significant number of high paying jobs, royalties for the county, benefits for the county schools and the multiplier effect on the entire economy. The whole country is trying to come out of this recession and this is a step in the right direction.

The technology and safety measures in today's oil production are not what it was years ago. Huge advancements are in place. The harm to the environment and local residents will be minimal. There will be stringent regulations by county, state and federal safety and environmental experts.

This project should be passed.


Sincerely,



ITEM #20
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April 26, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Dear Board of Supervisor:

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This project should be passed.

Sincerely,


(Fenstermaker Masonry)

ITEM #20
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RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

DATE: *April 29, 2012*

**SAN LUIS OBISPO COUNTY
BOARD OF SUPERVISORS**

Supervisor _____
1055 Monterey Street, 4th Floor
San Luis Obispo, CA 93408

RE: HUASNA VALLEY OIL PROJECT

Dear Supervisor,

I am a mineral rights owner in the Huasna Valley and have a connection to Excelaron's proposed oil evaluation effort. My family has granted Excelaron an access easement across our ranch. Our family has been in the Huasna Valley for generations and knows that this field has seen oil exploration and some production for the past 100 years. As a property owner, my family has been a good steward of the land. As a mineral rights owner, I also have a legal right to explore the land in a safe manner.

I have paid close attention over the last six years, to Excelaron's commitment to work with San Luis Obispo County and the public to address every concern that local residents have with the proposed project. As you know, they have amended the truck route to avoid Arroyo Grande, have amended their project description to show exactly what a fully viable project at capacity of production would look like —a total of 12 wells, all at the request of some of the opposition who continue to selfishly mischaracterize this project in every way. None of my many family members object to this project.

As I understand it, this is first and foremost an oil evaluation project and that current technology will allow Excelaron to conclude if commercial oil production is viable at this site. Should this company not be provided a fair and reasonable opportunity to pursue their project, then every mineral rights owner in the area will be told directly by you, our elected officials, that our investment is worth NOTHING. In these difficult economic times, for both the private and public sectors alike, the County should not be sending an unfriendly business message to developers, property owners or mineral rights owners.

I respectfully urge the County Board of Supervisors to support and approve this project.

Sincerely,

Jane Porter Major
JANE PORTER MAJOR

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MAY - 1 2012

Board of Supervisors
San Luis Obispo County

April 26, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

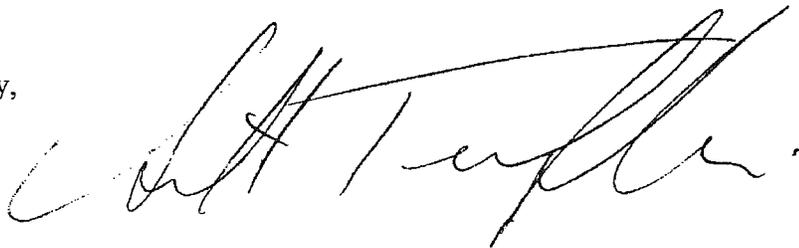
Dear Board of Supervisor:

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This project should be passed.

Sincerely,



X SCOTT Tschumperlin

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April 26, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Dear Board of Supervisor:

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This project should be passed.

BRYAN BILLINGTON

Sincerely,

A large, stylized handwritten signature in black ink, appearing to read 'Bryan Billington', written over the printed name.

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April 26, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

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Sincerely,



CHRISTOPHER G WEAKLIAM

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

April 26, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Dear Board of Supervisor:

The drilling project in the Huasna area will create a significant number of high paying jobs, royalties for the county, benefits for the county schools and the multiplier effect on the entire economy. The whole country is trying to come out of this recession and this is a step in the right direction.

The technology and safety measures in today's oil production are not what it was years ago. Huge advancements are in place. The harm to the environment and local residents will be minimal. There will be stringent regulations by county, state and federal safety and environmental experts.

This project should be passed.

Sincerely,



KARA KNOTTS

RECEIVED

APR 30 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Re: Proposed Excelaron Drilling Project
Huasna Valley

Dear Board of Supervisor:

This letter is in support of the proposed drilling project in the Huasna Valley by Excelaron Exploration.

It is important to understand that there is support for this project. Excelaron has followed the rules and regulations of the permitting process to the tee. The biological, air, water, noise, transportation, waste water and other issues are all being mitigated by Excelaron.

With the extreme economic hardships we are facing at this time, the state, county, businesses and individuals need the added revenue that this project will bring.

I strongly urge the Board of Supervisor to approve this project.

Sincerely,



Bill Winemow

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APR 30 2012

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San Luis Obispo County

April 20, 2012

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Sincerely,


CRAIG R. ROSS

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

RECEIVED

APR 30 2012

Date April 24,2012

To: SLO County Board Supervisors
Sub: Approval of Oil Drilling Permits

Board of Supervisors
San Luis Obispo County

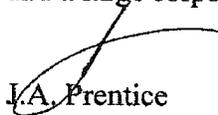
Chair People,

It should be a more than apperant that the people of the United States are experiencing a very poor economy and have for sometime. Federal,State,County and City governments are telling us that they need more money to do business and take care of our needs such as schools,fire departments,police departments,road departments , etc.. They all say they need more taxes and or bonds etc. to raise money.

On another hand, we are experiencing more corruption on behalf of all these agencies. These incidents are reported to us daily by news providers, we all know of the waste in government buracuracy.

Now we are faced with a situation, where you the Board of Supervisors of SLO county can improve your financial position and the governmental agencies. It has been shown to you that the enviroment will not be impacted by this project. All indicators point to a plus,plus,plus situation. The only objections come from a few people and their friends along with a major corporation (In and Out Burger) who own small parcels in this remote area. They are backed heavily by that corporation ,but they do not represent the general public or the needs of the community at large. This group for the most part are all new commers to the area. They are L.A. transplants who come here to retire, not to contribute to the general populas. How can they carry so much clout as to influence your decision against this issue. It would appear that this group has applied undue influence upon you to vote against the public needs. In fact against the United States of America's needs, as stated by our president for additional petroleum exploration on a local bases.

There is oil there,they can produce it without affecting the enviroment. This new production will provide new jobs. It will provide new revenue to the county. This new production will help our nation. A vote against it will show preferencial treatment to a small group of people and a large corporation and against the very county and the people you serve.


J.A. Prentice

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APR 30 2012

**SAN LUIS OBISPO COUNTY
BOARD OF SUPERVISORS**
Supervisor _____
1055 Monterey Street, 4th Floor
San Luis Obispo, CA 93408

Board of Supervisors
San Luis Obispo County

RE: HUASNA VALLEY OIL PROJECT

Dear Supervisor,

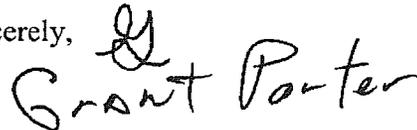
I am a mineral rights owner in the Huasna Valley and have a connection to Excelaron's proposed oil evaluation effort. My family has granted Excelaron an access easement across our ranch. Our family has been in the Huasna Valley for generations and knows that this field has seen oil exploration and some production for the past 100 years. As a property owner, my family has been a good steward of the land. As a mineral rights owner, I also have a legal right to explore the land in a safe manner.

I have paid close attention over the last six years, to Excelaron's commitment to work with San Luis Obispo County and the public to address every concern that local residents have with the proposed project. As you know, they have amended the truck route to avoid Arroyo Grande, have amended their project description to show exactly what a fully viable project at capacity of production would look like – a total of 12 wells, all at the request of some of the opposition who continue to selfishly mischaracterize this project in every way. None of my many family members object to this project.

As I understand it, this is first and foremost an oil evaluation project and that current technology will allow Excelaron to conclude if commercial oil production is viable at this site. Should this company not be provided a fair and reasonable opportunity to pursue their project, then every mineral rights owner in the area will be told directly by you, our elected officials, that our investment is worth NOTHING. In these difficult economic times, for both the private and public sectors alike, the County should not be sending an unfriendly business message to developers, property owners or mineral rights owners.

I respectfully urge the County Board of Supervisors to support and approve this project.

Sincerely,



cc. County of San Luis Obispo- Board of Supervisors
Jason Giffen, SLO County Planning & Building Department Director

O:\Huasna Oil Field II\FEIR\Sample Letters of Support\2012-4-25.Sample Support Letter.Porter Family.Mineral Rights.FINAL.doc

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Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408Re: Proposed Excelaron Drilling Project
Huasna Valley

Dear Board of Supervisor:

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I strongly urge the Board of Supervisor to approve this project.

Sincerely,

Chris Jorge


RECEIVED

APR 30 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

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Sincerely,

Chayne Tove I


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San Luis Obispo County

April 20, 2012

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Board of Supervisor
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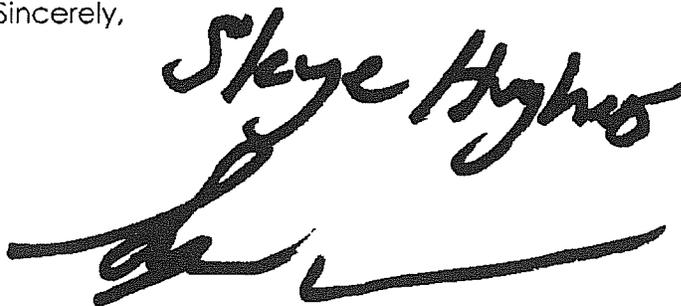
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I believe the Excelaron project should be approved.

This project will greatly add to the revenue of San Luis Obispo County through jobs and tax money from the production of oil. This revenue can help offset the budget cuts of the police, fire, schools, and road maintenance departments in San Luis County. All of this will have a multiplier effect which we will all benefit from.

Please approve this project.

Sincerely,

Steve Hughes


ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
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APR 27 2012

Board of Supervisors
San Luis Obispo County

Date April 24,2012

To: SLO County Board Supervisors
Sub: Approval of Oil Drilling Permits

Chair People,

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J.A. Prentice

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San Luis Obispo County

April 20, 2012

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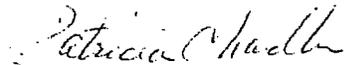
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Please approve this project.

Sincerely,



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San Luis Obispo County
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Please approve this project.

Sincerely,

Trevor Torres


RECEIVED

APR 27 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
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Please approve this project.

Sincerely,

Tony Prentice



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APR 27 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
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Re: Proposed Excelaron Drilling Project
Huasna Valley

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With the extreme economic hardships we are facing at this time, the state, county, businesses and individuals need the added revenue that this project will bring.

I strongly urge the Board of Supervisor to approve this project.

Sincerely,

A handwritten signature in black ink that reads "Margaret Larrabee". The signature is written in a cursive style with a long horizontal line extending to the right.

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April 20, 2012

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Board of Supervisor
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San Luis Obispo County
Board of Supervisors

April 20, 2012

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Board of Supervisor
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Sincerely,

Howard A. Paulsey

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San Luis Obispo County

April 20, 2012

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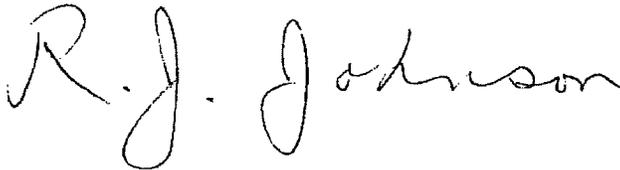
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Please approve this project.

Sincerely,

A handwritten signature in black ink that reads "R.J. Johnson". The signature is written in a cursive style with a large, looped "R" and "J".

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
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EACH SUPERVISOR
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APR 26 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

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Sincerely,


Charles Wainman

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APR 26 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
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Please approve this project.

Sincerely,



Brian Wineman

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APR 24 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Re: Proposed Excelaron Drilling Project
Huasna Valley

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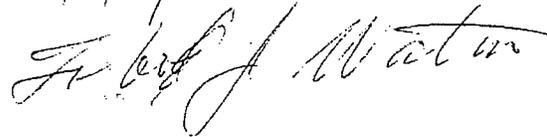
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Sincerely,

FLOYD J. WATSON


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Sincerely,

Gordon Feinstein
GORDON FEINSTEIN

ITEM #20
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Board of Supervisors
San Luis Obispo County

April 20, 2012

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Sincerely,



Consuelo R. Velazquez

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Sincerely,


JOHN A. PORTER

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PORTER ENTERPRISES LLC
10100 ALAMO CREEK ROAD
SANTA MARIA, CA. 93454

APR 23 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisors
1055 Monterey Street, 4th Floor
San Luis Obispo, Ca. 93408

Re: Huasna Valley Oil Exploration

Dear Supervisors:

Our family owns property and are residents of the Huasna Valley. We make our living from working the land and raising livestock. It is getting harder and harder to make a decent return on our investment which is essential if we are to keep large tracts of land intact. If the property cannot produce and earn an income it is inevitable that the property will be sold into small tracts that will be even less productive.

I can see the concerns of the property owners who are opposed to the exploration. They bought plots of beautiful agricultural land, developed home sites, and want to keep their agricultural "view scape." However, I think one thing that they are loosing site of is that the "agricultural setting" and the "view scape" will be lost if the large parcels of land around them are divided into small parcels.

Part of the production of the land is the mineral deposits or mineral rights of the property owners. We need the income from these deposits to survive as a viable unit. We do not want to split our property into small uneconomical units.

I urge you to approve the permit for Excelaron to explore for the potential benefits that will help us to remain in agriculture and maintain the agricultural heritage of San Luis Obispo County.

Yours truly,


Anastasia P. Paulsey
Porter Enterprises LLC

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APR 23 2012

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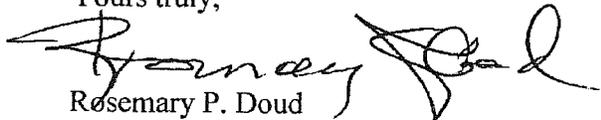
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Yours truly,


Rosemary P. Doud
Porter Enterprises LLC

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San Luis Obispo County

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Dear Supervisors:

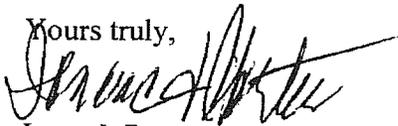
Our family owns property and are residents of the Huasna Valley. We make our living from working the land and raising livestock. It is getting harder and harder to make a decent return on our investment which is essential if we are to keep large tracts of land intact. If the property cannot produce and earn an income it is inevitable that the property will be sold into small tracts that will be even less productive.

I can see the concerns of the property owners who are opposed to the exploration. They bought plots of beautiful agricultural land, developed home sites, and want to keep their agricultural "view scape." However, I think one thing that they are losing sight of is that the "agricultural setting" and the "view scape" will be lost if the large parcels of land around them are divided into small parcels.

Part of the production of the land is the mineral deposits or mineral rights of the property owners. We need the income from these deposits to survive as a viable unit. We do not want to split our property into small uneconomical units.

I urge you to approve the permit for Excelaron to explore for the potential benefits that will help us to remain in agriculture and maintain the agricultural heritage of San Luis Obispo County.

Yours truly,



Isaac J. Porter
Porter Enterprises LLC

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PRESENTED BY: Supervisor Paul Teixeira
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POSTED ON: May 9, 2012

RECEIVED

PORTER ENTERPRISES LLC
10100 ALAMO CREEK ROAD
SANTA MARIA, CA. 93454

APR 23 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisors
1055 Monterey Street, 4th Floor
San Luis Obispo, Ca. 93408

Re: Huasna Valley Oil Exploration

Dear Supervisors:

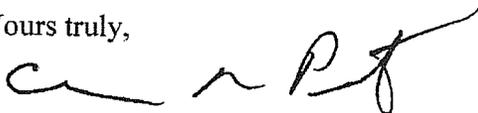
Our family owns property and are residents of the Huasna Valley. We make our living from working the land and raising livestock. It is getting harder and harder to make a decent return on our investment which is essential if we are to keep large tracts of land intact. If the property cannot produce and earn an income it is inevitable that the property will be sold into small tracts that will be even less productive.

I can see the concerns of the property owners who are opposed to the exploration. They bought plots of beautiful agricultural land, developed home sites, and want to keep their agricultural "view scape." However, I think one thing that they are loosing site of is that the "agricultural setting" and the "view scape" will be lost if the large parcels of land around them are divided into small parcels.

Part of the production of the land is the mineral deposits or mineral rights of the property owners. We need the income from these deposits to survive as a viable unit. We do not want to split our property into small uneconomical units.

I urge you to approve the permit for Excelaron to explore for the potential benefits that will help us to remain in agriculture and maintain the agricultural heritage of San Luis Obispo County.

Yours truly,



Charles R Porter
President, Porter Enterprises LLC

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APR 23 2012

Board of Supervisors
San Luis Obispo County

April 20, 2012

San Luis Obispo County
Board of Supervisor
1055 Monterey Street
San Luis Obispo, Ca, 93408

Dear Board of Supervisor:

We the undersigned are property owners in the Huasna Valley and Alamo Creek areas. We are very familiar with Excelaron's proposed oil effort in the Huasna Valley.

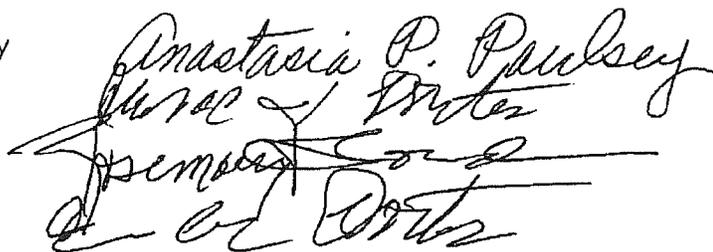
As a mineral rights owner, we feel we have a legal right to explore the land, in a safe manner, for possible oil production. We think Excelaron has the experience, expertise and financial backing to carry this project through with very little negative effect on the environment and minor inconvenience to surrounding property owners.

We as property owners have to explore every avenue of potential income to keep these "working" ranches viable. If we cannot expect a reasonable return on our investment the only solution is to split the property into ranchettes. This is not good for the environment or the neighboring property owners. We feel the Excelaron project will help keep these ranches working and productive.

We strongly urge the Board of Supervisors to support and approve this project

Sincerely,

Anastasia P. Paulsey
Isaac J. Porter
Rosemary P. Doud
Charles R. Porter



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Excelaron/Huasna Project

Lori Lawson

to:

dgeaslen@co.slo.ca.us

04/20/2012 04:06 PM

Hide Details

From: Lori Lawson <lorilawson357@yahoo.com>

To: "dgeaslen@co.slo.ca.us" <dgeaslen@co.slo.ca.us>

Please respond to Lori Lawson <lorilawson357@yahoo.com>

1 Attachment

Super Teixeira-Excelaron Support Letter Mineral Rights 4-20-2012.doc

Good Afternoon Deb:

Please forward the attached letter in support of the Excelaron/Huasna Project to Supervisor Paul Teixeira prior to the appeal hearing scheduled for May 15, 2012.

Thank you -- Lori L. Lawson, SLO

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2526.htm

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April 20, 2012

SAN LUIS OBISPO COUNTY BOARD OF SUPERVISORS
1055 Monterey Street, 4th Floor
San Luis Obispo, CA, 93408

Dear Supervisor Teixeira:

I am a mineral rights owner in the Huasna Valley and have a connection to Excelaron's proposed oil evaluation effort. This designated oil field has seen exploration for the past 100 years. I have had an interest in the Huasna Valley for a very long time (my grandmother first purchased mineral rights back in 1936). As a mineral rights owner, I have a legal right to explore the land in a safe manner.

I have paid close attention over the last six years, to Excelaron's commitment to work with San Luis Obispo County and the public to address every concern that local residents have with the proposed project. As you know, they have amended the truck route to avoid Arroyo Grande, have amended their project description to show exactly what a fully viable project at capacity of production would look like—a total of 12 wells, all at the request of NIMBY opposition who continue to unfortunately, mischaracterize this project in every way.

As explained to me, this is first and foremost an oil evaluation project and that current technology will allow Excelaron to conclude if commercial oil production is viable at this site. Should this company not be provided a fair and reasonable opportunity to pursue their project, then every mineral rights owner in the area will be told directly by you, our elected officials, that our investment is worth NOTHING. In these difficult economic times, for both the private and public sectors alike, the County should not be sending an unfriendly business message to developers, property owners or mineral rights owners.

The Excelaron Project will create more than 100 part-time and 35 full-time jobs, which will help with the current County unemployment rate.

I urge the County Board of Supervisors to support and approve this project.

Sincerely,

Lori L. Lawson
357 Santa Lucia Drive
San Luis Obispo, CA 93405
(SLO Native for 61 years)

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April 18, 2012

RECEIVED
APR 20 2012
Board of Supervisors
San Luis Obispo County
EACH SUPERVISOR
RECEIVED COPY

Mr. Paul Teixeira
SLO County Board of Supervisors
1055 Monterey St. 4th Floor
San Luis Obispo, Ca 93408

RE: EXCELARON LLC--HUASNA VALLEY OIL PROJECT

Dear Mr. Teixeira:

I urge you and your fellow commissioners to support and approve Excelaron's project for oil drilling in the Huasna Valley.

I consider myself an environmentalist, but a realistic one. As is often the case, one has to consider the risks and benefits for most decisions we make in life. In this case, I believe the benefits far outweigh the very small risks.

I have come to this conclusion after watching the many steps taken and dollars spent by Excelaron to reach this point in their project. Also, I am well aware, as are you, that California has some of the most stringent requirements for oil exploration, as well it should. Over a long six year period, Excelaron has met all of these requirements. They have proven their integrity and willingness to protect the Huasna Valley and provide a benefit to the citizens of San Luis Obispo County.

As a teacher who has witnessed the devastating effects of the cuts in funding to our schools, I am very impressed with Excelaron's nonprofit corporation, Solar for Schools, Inc.

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Not only will Excelaron's nonprofit help school districts in San Luis Obispo County use more monies for the direct benefit of our children, they will also help this country in its transition from fossil based fuels to green energy. Excelaron can help meet some the needs of the present while leading us into the future.

Excelaron's oil project will be a positive addition to the United States, the state of California and the county of San Luis Obispo. I urge you to support and approve it.

Thank you for giving this matter your time and consideration.

Sincerely,



Barbara Yarbrough

805 482 8509

RECEIVED

To: Mr. Paul Teixeira, SLO County District 4 Supervisor
Hand-delivered
May 7, 2012

MAY - 7 2012

Board of Supervisors
San Luis Obispo County

Dear Supervisor Teixeira,

I own and operate an organic farm in the Huasna Valley, own mineral rights in the designated Huasna Oilfield, and am President of the Huasna Foundation, a non-profit organized on behalf of residents in the Huasna Area. I hold a Bachelor's degree in Engineering Physics from Cornell University and a Master's degree in Physics from UC Irvine. I have worked at Sandia National Laboratory and have several peer-reviewed scientific publications. For the past 15 years I have farmed and raised a family in the Huasna Valley. During the last 5 of those years I have thoroughly investigated the prospects for oil development in the Huasna Area. I have concluded that the impacts from such oil development far outweigh the very minimal potential benefits and I implore you to please uphold the decision of your Planning Commission to deny the Excelaron CUP.

At the March 8, 2012 Planning Commission hearing, Commissioner Jim Irving asked the question, "is there economically recoverable oil in Huasna?" In response, Art Halleran, of Excelaron, cited a study by a Texas-based engineering firm, Gaffney, Cline, and Associates (GCA). Attached to this letter, is my analysis of the GCA report and Mr. Halleran's claims. The important conclusions of this analysis are as follows:

- 1. Oil production estimates and benefits of Excelaron's 12-well project have been overstated by at least a factor of ten.**
- 2. Excelaron's 12-well project represents only one phase in Excelaron's strategy to develop a much larger field with far greater environmental impacts.**
- 3. Excelaron's two-phase field development scheme prevents the true environmental impacts from being identified and evaluated.**

On March 8, 2012, the San Luis Obispo County Planning Commission concluded that Excelaron's 12-well project is not compatible with the SLO County General Plan and not in keeping with the rural character of the Huasna Valley. If the Board of Supervisors takes action to reverse the Planning Commission's decision, it will establish an entitlement for processing and transportation volumes of oil that would accommodate future project expansion. In addition, impacts from the 12 well, first-phase project will alter the baseline for environmental analysis of future expansion. This expansion, as envisioned by Excelaron and delineated in the GCA report, is a field encompassing 600+ acres, with the facilities, extraction methods and wells necessary to produce 1,000 barrels of oil per day. Such expansion would have substantially greater impacts than Excelaron's currently proposed 12-well project.

Please uphold the recommendation of SLO County Planning staff and the decision of the Planning Commission and deny Excelaron's appeal of the Planning Commission's decision.

Sincerely,



Ron Skinner, President
Huasna Foundation
ron@huasnavalley.org

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EXCELARON CONDITIONAL USE PERMIT (DRC2009-00002)

Analysis of Gaffney, Cline and Associates Report

DISCUSSION

United Hunter & Oil Gas Corporation owns a 65% interest in Excelaron. Arthur Halleran is CEO of United Hunter and represents Excelaron. As CEO of United Hunter, Mr. Halleran solicited Gaffney, Cline & Associates (GCA) to evaluate United Hunter's resources in the Huasna field. What follows is a discussion of field reserves as identified in the GCA report as it relates to Excelaron's proposed project. For ease of discussion, "Excelaron" will be used in place of United Hunter since Mr. Halleran represents Excelaron in obtaining its Conditional Use Permit.

A review of the GCA report identifies critical facts and information that are fundamental to understanding the true scope and impacts of the project. Specifically:

1. Oil production estimates and benefits of Excelaron's 160 acre, 12-well project have been overstated by at least a factor of ten.
2. Excelaron's 12-well project represents only one phase in Excelaron's strategy to develop a much larger field with far greater environmental impacts.
3. Excelaron's two-phase field development scheme prevents the true environmental impacts from being identified and evaluated.

1. Oil Production Estimates and Benefits of Excelaron's 160-Acre, 12-Well Project Have Been Overstated

In order to evaluate United Hunter's resources, GCA provided an estimate of the "Contingent Resources" (oil) in the Huasna field. First, it is important to note that GCA classified the resources as "Contingent Resources," defined as "those quantities of petroleum estimated, as of a given date, to be *potentially* recoverable from known accumulations using established technology or technology under development, but which are *not currently considered to be commercially recoverable* due to one or more contingencies." GCA cited five main contingencies, the first of which is "Establishing production in commercial quantities *using primary or secondary methods.*"

Specifically, GCA estimates recoverable oil for the life of the project to range from 900,000 to 4.1 million barrels of oil, with a **best estimate of 2.1 million** barrels of oil. This **estimate is based on 60 wells** not 12. In sharp contrast, **Excelaron asserts it will recover 6 million** barrels of oil over the life of the project with **12 wells**.

This assertion is based on a transcript of a video recording taken of the March 8, 2012, San Luis Obispo County Planning Commission Hearing, a portion of which is provided below:

Commissioner Jim Irving:

"...is there recoverable oil, economically recoverable oil, here?"

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Dr. Arthur Halleran:

“...and I had this field studied, this field by the way by Gaffney Cline report which is very credible engineering firm in Houston, Texas, who have a lot of expertise on Monterey um give it a most likely case of 100 million barrels in place. So the pool extends from pad 2, pad 1, all under, underneath it...Injecting hot water you can recover uh, like I say, 5, 4, 5, 6% depending upon the spacing of the wells. So 6% of the a 100 million barrels is **6 million.**”

Notably, the GCA report is cited to shareholders, media and potential investors, yet has not been provided to county staff or representatives in support of Excelaron’s project or assertions.

A closer review of the GCA report reveals that an estimate of 2.1 million barrels of oil over the life of the project is overly optimistic. This is because the estimate is based on analog data from dissimilar oilfields and relies on the assumption that oil is evenly distributed throughout the Monterey formation, an assumption not supported by historical well log data from the Huasna field¹.

GCA estimates recovery of 24 barrels of oil per acre-foot volume of Monterey formation. However, the project description in the EIR states production volume will be limited by the proposed hot water injection method, which is only effective to a radius of 150 feet from the wellbore and a depth of 2,000 feet. Using GCA’s optimistic recovery estimate, the *upper limit* of production for 12 vertical wells using hot water injection would be **700,661 barrels of oil over the life of the project**. This is a far cry from the 6 million barrels of oil publicly proclaimed by Mr. Halleran to the Planning Commissioners on March 8, 2012, and represents *only 10.7 barrels of oil per day* for each of the 12 wells over the life of the project².

The average production of heavy oil from fractured Monterey shale formation in eight Santa Barbara and Monterey County oilfields was 6.9 barrels of oil per day per well, so once again the GCA numbers appear inflated³.

Based on this optimistic estimate of 700,661 barrels of oil over the 20-year life of the project, **oil production and tax revenue will be less than one-tenth of that purported by Excelaron**⁴.

2. The Conditional Use Permit Represents Only One Phase in Excelaron’s Strategy to Develop a Much Larger Field with Far Greater Environmental Impacts

Excelaron has a strategy to expand the field from 160 acres and 12 wells to one that encompasses all properties “for which United Hunter holds variable interests and has verbal agreements on the remaining interest with the other mineral rights owners in which they concur to allow leasing of those interest once the first phase of development is permitted by the regulatory authorities.” Excelaron currently holds oil and gas leases on 1,057 acres, with an unknown number of verbal agreements for additional acres⁵.

Excelaron’s strategy is to develop this field in two phases. The Conditional Use Permit to develop 160 acres and 12 wells is only the first phase.

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3. Excelaron's Two-Phase Field Development Scheme Prevents the True Environmental Impacts From Being Identified and Evaluated

Excelaron's field development and expansion strategy is outlined in detail in the GCA report. The second contingency in the list of GCA's five main contingencies to recovering commercial quantities of oil, is "securing the necessary permits from the regulatory authorities, which requires environmental impact compliance and approval." Based on the environmental issues Based on the environmental issues involved, Excelaron made the assessment that development of the field would only "**be feasible provided that it is approached in stages.**" Therefore, Excelaron made the calculation to break development of the field into two stages, 160 acres in the first stage and the remainder of the field in the second stage.

The method of extraction was also strategically selected. According to the report, the hot water method of extraction was chosen because it "maximizes the volume of injected thermal fluid in relation to the heat generation facilities," thus triggering fewer environmental compliance criteria that would have to be met *in order to get a permit*. It would also allow an approach that is "*perceived* to adopt a maximum recovery by the least possible surface impact principle."

Yet, as the report goes on to demonstrate, full production will rely not only on development of the entire field of up to 600 acres and 60 wells, it will also require an increase in the temperature of the injection water/steam and horizontal drilling, none of which are included in the Conditional Use Permit or addressed in the EIR.

CONCLUSION

The true impacts to the Huasna Valley and the environment of producing commercial quantities of oil have not been identified or evaluated, especially as they relate to field size, number of wells, steam injection, heat generation facilities, and horizontal drilling.

The Planning Commission made a decision to uphold the recommendation of county staff to deny this project. If the Board of Supervisors takes action to reverse that decision, it will establish an entitlement for processing and transportation volumes that would accommodate future expansion. In addition, impacts from the 12 well, first phase project will alter the baseline for environmental analysis of future expansion. This expansion, as envisioned by Excelaron and delineated in the GCA report, is a field encompassing 600+ acres and 60 wells, with the facilities, extraction methods and wells necessary to produce 1,000 barrels of oil per day.

Impacts for Excelaron's project are currently known only for 12 vertical wells, using hot water extraction, methods that could produce a maximum of only 96 barrels of oil per day.

On March 8, 2012, the San Luis Obispo County Planning Commission concluded that a 160-acre, 12-well project is not compatible with the SLO County General Plan and not in keeping with the rural character of the Huasna Valley. This conclusion applies 10-fold to Excelaron's ultimate project goal.

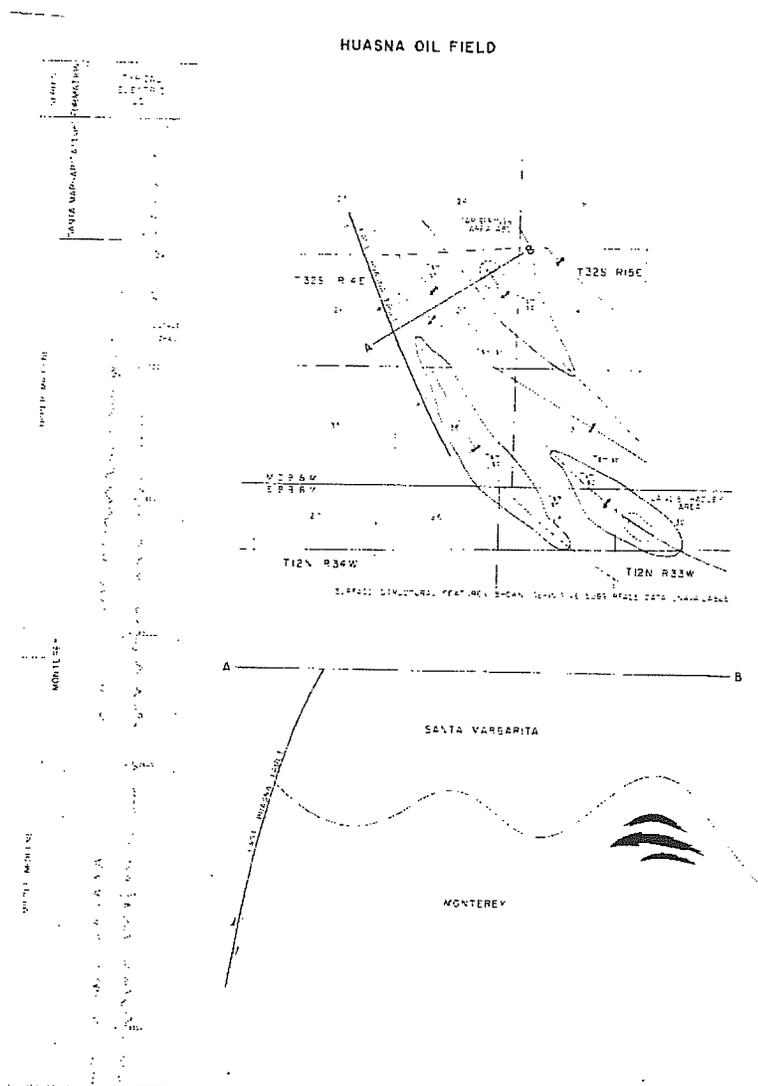
Please uphold the recommendation of SLO County Planning staff and the decision of the Planning Commission and deny Excelaron's appeal of the Planning Commission's decision

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Notes

¹ "Huasna is not an analog of Santa Maria. It is farther east (closer to the San Andreas), has already been subject to higher tectonic forces to heat and squeeze out residual hydrocarbons, and may have been leaking oil for a longer interval." (Dr. Robert Curry, April 27, 2012)

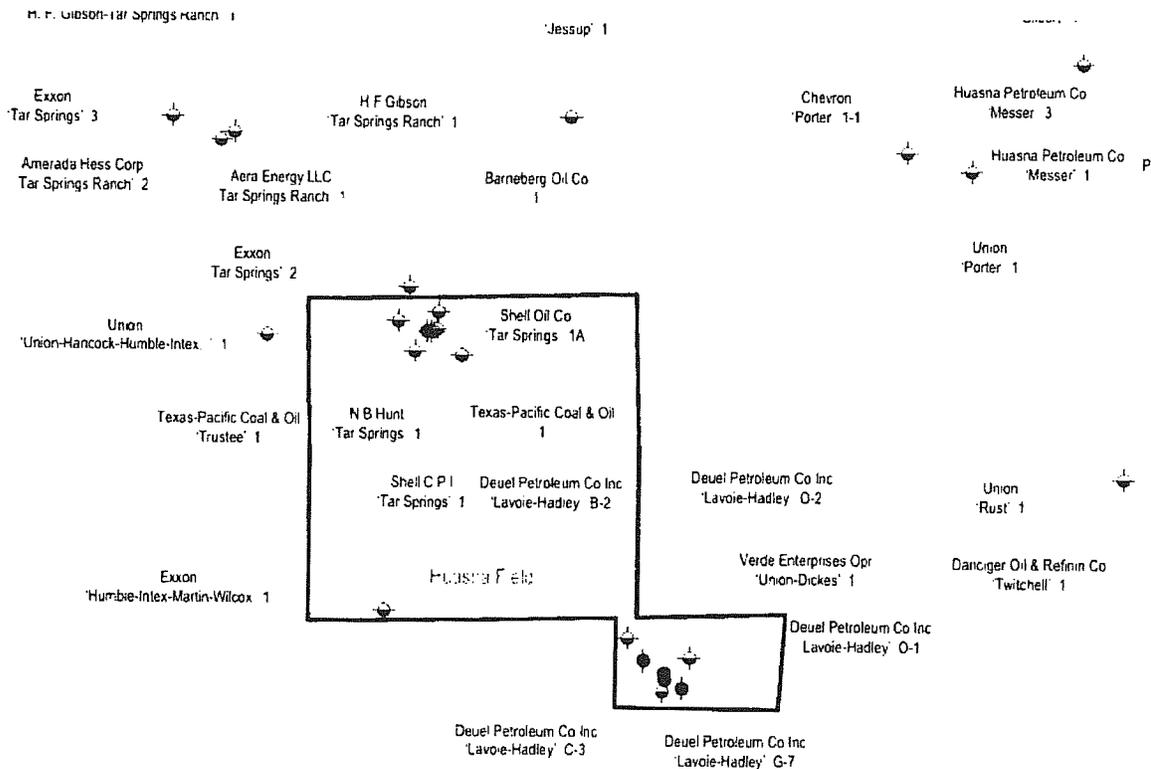
Division of Oil, Gas, and Geothermal Resources (DOGGR) records indicate oil-bearing intervals in two small anticlinal folds in the Monterey formation. DOGGR Field records list the extent of reserves at 10 and 40 acres – not 160, 400, or 600 acres as claimed in the GCA report.



There have been 16 wells drilled within the designated "Huasna Oilfield." Eleven of those wells failed to produce any oil. Multiple dry wells were drilled surrounding the producing wells on

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each anticline structure, delimiting the small oil bearing regions shown on the above DOGGR field map. There exists no evidence in the DOGGR files to suggest that oil is distributed uniformly through a volume of the Monterey formation extending up to 600 acres in surface area and 2,000 feet deep. It is more likely that what little oil was in the Huasna field was extracted during the 1960's. Well logs from the LaVoie-Hadley wells show production of only a few barrels of oil during a 30-day period when they were tested in the 1980's.



On-line DOGGR oil well map. Oil wells are represented by circles: Half-circles are dry holes, full circles produced oil. The red boundary defines the designated Huasna Oilfield, which simply outlines map sections connecting the two productive anticlinal regions. According to DOGGR staff, the designation only signifies a demonstrated resource and carries no legal significance.

² Excelaron project production calculation:

Assumptions:

- Recoverable oil volume = 24 barrels per acre-foot volume of Monterey Formation^a.
- Volume of Monterey formation = cylinder of radius 150 feet and height 1,500 feet^b.
- Oil is evenly distributed throughout this volume of Monterey formation^c.

$$\text{Limit of recoverable oil per well} = (24 \text{ barrels/acre-ft}) \cdot \pi \cdot (150\text{ft})^2 \cdot (1,500\text{ft}) = 58,388 \text{ barrels}$$

Before analyzing the validity of this number, consider what this limit means in terms of the overall productivity of Excelaron's proposed 12 well project. Twelve wells, producing at the maximum limit of the proposed hot water method would produce 700,656 barrels of oil over the 20-year lifetime of the project, which yields the following production figures:

Ideal-Case Scenario Upper Limit of Production for the Excelaron Project

35,033 Barrels of oil per year
96 Barrels of oil per day^d
10.7 Barrels of oil per well per day^e

Does the 58,388 barrels of oil per well ideal-case scenario upper limit of recoverable oil using hot water injection make sense? Once again, this calculation assumes that oil is evenly distributed throughout the volume of Monterey formation, an assumption that is not supported by historical well log evidence. In addition, the total production of the historical wells at Excelaron's proposed project site over a three-year period in the 1960's using both acid and cyclic steam extraction methods is substantially less than would be expected for a limit of recoverable oil of 58,388 barrels per well:

Well Number	Date Drilled	Max Depth	Total Production with Acid & Cyclic Steam (in barrels)
SD-1	1939	5,591	0
UD-1	1958	7,705	0
LVH-01	1965	2,986	3,605
LVH-02	1965	1,340	15,072
LVH-B3	1966	828	0
LVH-C3	1966	1,086	242
LVH-G7	1966	1,134	1,134

The GCA report states, "Fractured shale formations like the Monterey have been shown to recover 30-40% of the oil in place with continuous steam injection and 20-30% with cyclic injection. Using thermal calculations, it is estimated that with hot water the expected recoveries will be in the 4-6% range."

With cyclic steam stimulation the best cumulative total production out of seven historic wells drilled at Excelaron's project site is 20,053 barrels. Had the operator used cyclic hot water injection (5% recovery) instead of cyclic steam (25% recovery) they would have extracted a total of only 4,011 barrels and an average of 573 barrels per well. It appears that the upper limit of 58,388 barrels of recoverable oil using hot water extraction does not accurately reflect the reality

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of the field. In addition, since three out of seven wells drilled on the project site produced no oil, the assumption of uniform distribution of recoverable oil throughout the volume of Monterey Formation appears to be an invalid assumption.

Notes for Excelaron Project Production Calculation

^a From GCA Report.

^b Assumes vertical wells and dimensions specified in the EIR sections 2.2.1 and 2.2.3.

^c This assumption is not supported by historical well log evidence. Thus this calculated estimate of recoverable oil represents only an ideal-case scenario upper limit for the hot water extraction method and does not reflect the likely amount of recoverable oil.

^d This assumes the facility operates 365 days per year and does not take into account required facility shutdown during times of flooding of the Porter Ranch Road.

^e This assumes a 75% operational cycle for the wells – the average operational cycle for oilfields with less than 50 wells in California is 37.2% (see DOGGR online production and injection data at <http://www.conservation.ca.gov/dog/Pages/Index.aspx>).

³ See DOGGR online production and injection data for the following fields (Cat Canyon, Santa Maria, Barham Ranch, Careaga Canyon, Lompoc, Orcutt, McCool Ranch, and Casmalia) at <http://www.conservation.ca.gov/dog/Pages/Index.aspx>.

2011 OIL PRODUCTION RECORDS
Extraction of Heavy Oil from Monterey Shale in California Oilfields

County	Field Name	# of Drilled Wells	# of Active Wells	Average Daily Oil Production per well (Barrels)
Monterey	McCool Ranch	29	20	9.6
Santa Barbara	Lompoc	181	156	19.5
Santa Barbara	Orcutt	840	495	14.1
Santa Barbara	Casmalia	351	267	4.7
Santa Barbara	Santa Maria	807	635	8.5
Santa Barbara	Cat Canyon	2,925	1,757	5.1
Santa Barbara	Careaga Canyon	19	14	12.2
Santa Barbara	Barham Ranch	36	33	10.1

Average Daily Oil Production for all wells = 6.9 barrels per well per day

(Note that the number of wells drilled always exceeds the number of active wells.)

⁴ Excelaron's stated annual production is 365,000 barrels per year, which is ten times higher than the ideal-case scenario upper limit of production for the hot water method of 35,033 barrels per year.

⁵ Excelaron LLC holds Oil and Gas Leases recorded with the County of San Luis Obispo on the following parcels totaling 1,057 surface acres: 048-151-001, 085-231-002, 048-141-001, 085-231-008, 085-012-039, 085-271-004.



Gaffney, Cline & Associates Inc.

Technical and Management Advisers to the Petroleum Industry Internationally Since 1962

Four Oaks Place
1300 Post Oak Boulevard, Suite 1000
Houston, Texas 77056

Telephone: (713) 850-9955
Facsimile: (713) 850-9966
Email: gcah@gaffney-cline.com

GDV/bgh/C1893.00/gcah.237.10

October 27, 2010

Mr. Arthur Halleran - CEO
United Hunter Oil & Gas Corporation
700 - 4th Ave SW - Suite 310
Calgary, Alberta
Canada, T2P 3J4

E-mail: arthur.halleran@yahoo.ca

Huasna Field Resource Evaluation

Dear Mr. Halleran:

Gaffney, Cline & Associates (GCA) presents this evaluation in response to the inquiry by United Hunter Oil & Gas Corporation (United Hunter) to provide an estimate of United Hunter's Resources in the Huasna field, San Luis Obispo County in California. These resources are classified in accordance with the reserve and resource definitions set out in the Canadian Oil and Gas Evaluation Handbook (COGEH), Second Edition released September 1, 2007, which also forms part of Canadian National Instrument 51-101.

BACKGROUND

The Huasna field is the most prominent accumulation in the Huasna basin in San Luis Obispo County, California. Huasna is a fault related anticline structure that has produced heavy oil from the Monterey Formation, which outcrops also to the surface. The oil column has been reported from depths of about 270 feet to 3,000 feet and consists of fractured shale in the Monterey Formation with 8.5° to 13° API oil. Seven wells were drilled in the field between the years 1937 and 1965. The first well drilled in 1937 tested extra heavy oil. Drilling and production resumed in the late 1950's reaching peak production in 1966. The field was then shut in with a cumulative production of only about 23,000 bbl of oil. The field has basically been idle since, with the exception of a brief production campaign in the mid 80's. Currently all wells are abandoned.

RESERVE AND RESOURCE ESTIMATE

GCA has reviewed all data provided by United Hunter and is of the opinion that any remaining recoverable hydrocarbon volumes should be classified as Contingent Resources under COGEH. The main contingencies are:

- Establishing production in commercial quantities using primary or secondary methods;
- Securing the necessary permits to develop the field;
- Securing funds and services in order to drill and complete new wells;
- Constructing processing and transportation facilities; and
- Securing sales contracts for the oil that can be produced.

UNITED KINGDOM

UNITED STATES

SINGAPORE

AUSTRALIA

ARGENTINA

BRAZIL

KAZAKHSTAN

RUSSIA

UAE

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There is no certainty that it will be commercially viable to produce any portion of the resources.

In estimating the Contingent Resource volumes, GCA has made volumetric estimates of the in-place volumes using the existing petrophysical and geological information and using appropriate analogs in absence of direct inferences. GCA has used simple thermal balance analytical models that provide a basis for an incremental oil recovery that may result from the hot water stimulation process that United Hunter plans to test and implement. At this stage there is limited information available from United Hunter on the Huasna field as the past development offers little in terms of assessing reservoir quality and long term productivity. It is expected that once the development starts, the new wells will offer modern logs, production tests and cores that will help in reducing the recoverable volume uncertainty. The main uncertainties in estimating the Contingent Resources in the Huasna field are:

- **Reservoir properties.** The available information from existing wells dates to the 1960's and does not offer a reliable means to estimate pay intervals, rock porosity and fluid saturations. The first new development wells will offer better log and core suites that would eventually allow a better estimate of the in place volumes. Such data will also be required to estimate the pay zones within the Monterey that will be targeted for an efficient development.
- **Fluid properties.** Although the Huasna field has produced a mix of bitumen (8.5° API) and heavy oil (13° API) and some fluid samples were taken and analyzed lately, there is variation on how the oil properties are distributed within the reservoir. The new development wells might be able to provide better data that could allow a better assessment of that oil distribution.
- **Oil recovery.** The primary recovery will depend on the rock and fluid characteristics and the presence or not of a water drive. The magnitude and orientation of natural fractures which contribute greatly to the productivity of Monterey under primary and secondary drives might be determined by the new development wells if the appropriate suite of logs and surveillance are carried out. The applicability of hot water stimulation was estimated in broad terms by analytical methods, but it could be determined with higher certainty by field trials as the development progresses.

Given the uncertainties involved in the estimation of the in-place volumes and the expected recoveries, GCA has adopted a probabilistic approach which is based on determining meaningful ranges of expected values as they are used in that assessment. The ranges of the input variables used in the probabilistic estimation are presented in the following table:

Table 1: Probabilistic Input

	Low	Most Likely	High
Area, acres	160	400	600
Net Thickness, feet	200	500	960
Porosity	8%	12%	18%
Oil Saturation	45%	50%	60%
Bo (rbbl/STB) ¹	1.01	1.02	1.05
Recovery Factor	4.2%	5.2%	6.0%

In the probabilistic estimate, all input variables are independent of one another except the net thickness, which is perceived to relate to the area in that the largest net thickness values are expected to be found in the smallest development area. That development area contains the existing abandoned wells and is at the structurally highest position. As there are still uncertainties regarding the net pay thickness that correlation is perceived to be relatively weak with a -0.5 coefficient. The following table summarizes the probabilistic estimation results:

Table 2: Probabilistic Output

	P90	P50	P10
Oil in Place, MMBbl	44.6	96.0	174.0
Recoverable, MMBbl	2.2	4.9	9.0

The estimated Contingent Resources are reported here for two separate areas. The first covers the 160 acres that contain the existing wells and is the target of the first phase of development that United Hunter plans to undertake. The second represents the remainder of the field area for which United Hunter holds variable interests and has verbal agreements on the remaining interests with the other mineral rights owners in which they concur to allow leasing of those interests once the first phase of development is permitted by the regulatory authorities. United Hunter's net interest is based on its 65% working interest in the 160 acre parcel and a 12% royalty deduction. The working and royalty interests are presumed to be the same on the remaining acreage as advised by United Hunter. The volumes represent crude oil in Millions of barrels (MMBbl) reported at standard conditions².

**Table 3: Contingent Resources as of July 31, 2010,
 Net to United Hunter's Interest. Crude Oil in MMBbl**

	1C	2C	3C
160 acres owned	0.5	1.2	2.3
Remainder	0.7	1.5	2.8

¹ rbbl/STB is defined as reservoir barrels per stock tank barrels of oil

² Standard conditions at 14.7 psia pressure and 60 °F temperature.

In order to assess the oil in place and potential recovery within the 160 acre parcel, the following probabilistic input and output is shown in tables 4 and 5:

Table 4: Probabilistic Input, 160 acres

	Low	Most Likely	High
Area, acres	160	160	160
Net Thickness, feet	200	500	960
Porosity	8%	12%	18%
Oil Saturation	45%	50%	60%
Bo (rbbl/STBO)	1.01	1.02	1.05
Recovery Factor	4.2%	5.2%	6.0%

Table 5: Probabilistic Output, 160 acres

	P90	P50	P10
Oil in Place, MMBbl	18.2	42.2	78.5
Recoverable, MMBbl	0.9	2.1	4.1

This assessment will likely become more definitive once new information is gathered from a new well drilling campaign, which should result in acquiring appropriate modern well logs, cores and successful production tests. At this point, lack of such information is reflected in the wide variation between the low and the high estimates as they are presented. That gap is expected to narrow as development advances and new data become available.

The reported resources are based on estimates and other information provided by United Hunter to GCA through September 2010, and included such tests, procedures and adjustments as were considered necessary. All questions that arose during the course of the evaluation were resolved to our satisfaction.

It is GCA's opinion that the resource estimates of total remaining recoverable hydrocarbon liquid volumes as of July 31, 2010 are, in the aggregate, reasonable and have been prepared in accordance with the reserve and resource definitions set out in the Canadian Oil and Gas Evaluation Handbook COGEH, Second Edition released September 1, 2007, which also forms part of Canadian National Instrument 51-101.

This assessment has been conducted within the context of GCA's understanding of United Hunter's petroleum property rights as represented by United Hunter's management. GCA is not in a position to attest to property title, financial interest relationships or encumbrances thereon for any part of the appraised properties or interests.

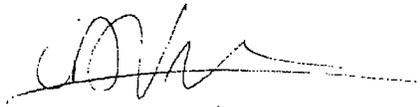
There are numerous uncertainties inherent in estimating reserves and resources, and in projecting future production, development expenditures, operating expenses and cash flows. Oil and gas reserve engineering and resource assessment must be recognized as a subjective process of estimating subsurface accumulations of oil and gas that cannot be measured in an exact way. Estimates of oil and gas reserves or resources prepared by other parties may differ, perhaps materially, from those contained within this report. The accuracy of any Reserve or Resource estimate is a function of the quality of the available data and of engineering and geological interpretation. Results of drilling, testing and production that post-date the preparation of the estimates may justify revisions, some or all of which may be material. Accordingly, Reserve and Resource estimates are often different from the quantities of oil and gas that are ultimately recovered, and the timing and cost of those volumes that are recovered may vary from that assumed.

For this assignment, GCA served as independent resource evaluators. The firm's officers and employees have no direct or indirect interest holding(s) in the property unit evaluated. GCA's remuneration was not in any way contingent on reported resource estimates.

Finally, please note that GCA reserves the right to approve, in advance, the use and context of the use of any results, statements or opinions expressed in this report. Such approval shall include, but not be confined to, statements or references in documents of a public or semi-public nature such as loan agreements, prospectuses, reserve statements, press releases etc. This report has been prepared for United Hunter and should not be used for purposes other than those for which it is intended.

Yours sincerely,

GAFFNEY, CLINE & ASSOCIATES, INC.



George Vassilellis

Attachments

Appendices: I: Technical Discussion
II: COGEH Definitions

APPENDIX I:
Technical Discussion

Technical Discussion

GEOLOGY

The Santa Maria Basin Province includes the area from the Santa Lucia and the San Rafael Mountains on the southwestern flank of the southern Coast Ranges to the northern Santa Ynez Mountains in the Western Transverse Ranges. It includes northern Santa Barbara County, western San Luis Obispo County and southwestern Monterey County.

The Santa Maria Basin occupies the central part of the province. Large folds in the central part of the basin (Casmalia-Orcutt Anticline, San Antonio-Los Alamos Valley Syncline, Lompoc-Purisima Anticline and Santa Rita Syncline) are associated with north-verging reverse faults of the Pliocene and Quaternary age. The thickness of the deformed basin fill approaches 15,000 feet in growth synclines in the footwalls of the reverse fault system. Oil accumulations are mostly trapped in the Miocene Monterey Formation anticlines, in fractured Monterey truncated by an unconformity along the northeastern flank of the basin, or in Pliocene sandstone lenses above an unconformity on the northeastern basin margin.

The Huasna basin is located northeast of the Santa Maria Basin. It lies between the West Huasna fault on the west and the East Huasna fault zone on the east. The basin is a synclinal depocenter filled with Pliocene and Miocene aged section similar to that of the Santa Maria Basin, but it contains a greater amount of sandstones. Synclinal and anticlinal structures are oriented northwest-southeast within the Huasna basin. It is described as being located in the Santa Maria Basin Margin Play areas (Tennyson, 1995). Oil accumulations in the Monterey and tar sands are present in smaller volumes in the Huasna Basin than those in the prolific Santa Maria Basin (Tennyson, 1995).

In the Huasna basin, the Monterey total thickness is usually about 2000 feet, although it ranges from 0 to 4000 feet. The Monterey net thickness ranges between 200 and 1000 feet and net pay thickness, although somewhat uncertain, probably ranges up to a few hundred feet (Tennyson, 1995). Net pay thicknesses of 200 to 400 feet and 290 to 500 feet were reported in the offshore Point Arguello field and onshore Jesus Maria field, respectively (Tennyson, 1995). Based on the California Department of Conservation DOGGR (Division of Oil, Gas and Geothermal Resources) oil field records for the Santa Maria Field-Main Area and Orcutt field, the net thickness was reported at 950 to 960 feet.

Porosity in the Monterey formation is reported to range from 6 to 33 percent and permeability is probably in the range of 10 to 15 millidarcies (mD) (Tennyson, 1995).

Monterey Formation

The Monterey rocks were originally deposited by a hemipelagic "rain" of fine-grained (silt- and mud-sized particles) in most of the Neogene (Pliocene and Miocene age) marine basins in California. The predominant original constituent of the Monterey formation is biogenous-silica (diatom frustules) which is highly soluble and geochemically unstable, and this leads to patterns of silica-phase diagenesis that affect reservoir characteristics. Other original components include biogenous calcite (coccoliths and foraminifera) and fine grained terrigenous detritus (illite-smectite clay, feldspar and quartz). In some rocks, organic matter is a major primary constituent. In some areas, interbedded clastic sediments deposited by turbidity currents are locally important in the Monterey (Isaacs, 1981, 1984).

There are three mineralogical phases of silica-diagenetic observed the Monterey formation: 1) opal-A, a hydrated form of amorphous biogenous silica mostly composed of

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diatoms; 2) opal-CT, a metastable form composed of interlayered α -cristobalite and α -tridymite silica; and 3) diagenetic quartz, results from dissolution and re-precipitation of opal-CT with increasing temperature (depth). Silica phases are generally transformed by nearly in-situ solution-precipitation which is accompanied by abrupt step-reduction in porosity (Isaacs, 1981, 1984). The boundaries between the silica-phases are represented by transition intervals (up to 1200 feet) between abrupt step-reduction in porosity at the transitions of opal-A to opal-CT and of opal-CT to diagenetic quartz).

Each silica diagenetic phase is represented by an array of rock types and properties: 1) opal-A rocks are friable, highly porous (60 -70%) diatomaceous rock, 2) opal-CT rocks are cohesive, moderately porous (20-35%) and include chert, porcelanite and siliceous shale/mudstone; and 3) diagenetic quartz rocks are cohesive with low porosity (0-20%) and include chert porcelanite and siliceous shale/mudstone. Understanding these three rock types and their boundaries are essential for meaningful correlation and rock property determination within the Monterey formation. Patterns of carbonate diagenesis also influence rock types and reservoir physical properties (Isaacs, 1984). For example, dolostones are important reservoir rock types in the Santa Maria Basin.

Fracture intensity is related to rock type. Outcrop studies of fractures show that fracture intensity in the Monterey formation is higher in the diagenetic-quartz bearing rocks than in the opal-CT bearing rocks. In general, fracture intensity decreases for the following sequence of rock types: chert, porcelanite, dolostone and marl (Isaacs, 1984).

Dilation brecciation due to dolomitization has been proposed as a mechanism for fracturing, petroleum expulsion and dolomitization in the Monterey formation (Roehl, 1983). Dilation breccia is a distinct form of non-depositional breccias, and it may occur in many tectonic provinces. Tectonic stresses cause an initial compression and subsequent dilation (elastic) of rock microcracks (microfractures) and imperfections. These microcracks are propagated inelastically with continued stress to develop into major fracture networks. Fracturing associated with the excess pore fluid pressures triggers flow of connate fluids into newly fractured strata. The resulting reduction in fluid pressure and temperature causes precipitation of the "fracture-healing" dolomite. The dilation process is repeated. Reportedly, the majority of fractured "hard rocks" in mudlog descriptions are cherts or dolomites (Isaacs, 1984). It has been observed that minor amounts of limestone, and locally dolomite, occur in the Monterey and that extremely brittle cherts are restricted to carbonate-bearing strata (Isaacs, 1984). These reported descriptions and observations lend support to the dilation brecciation theory.

Oil In Place

The Husana oil field is located within the Huasna Basin (Figure 1 and 2). The generalized stratigraphic section for the Huasna Basin is shown in Figure 3. Oil in place estimates were made based on Huasna oil field well data and analog information from the Santa Maria Basin oil fields. The analog Santa Maria Basin SW-NE cross section and Huasna Oil Field well log for the Monterey formation are shown in Figure 4. This cross section and well log are from the California DOGGR state database.

Over the period from 1937 to 1966, a range of conventional core, sidewall core and cuttings rock samples were collected in the Monterey formation over a depth range of 400 to 5000 drilled measured depth from 6 wells SD_1, LVH_O1, LVH_O2, LVH_B2, LVH_C3 and UD_1_30 (Figure 2). Overall the Monterey formation was described as hard fractured dark brown to grey shale with oil or tar present on fracture surfaces with calcareous, dolomitic and/or

sandy lithologies occasionally identified in the rock samples. Core analyses were not performed on these samples.

The core data, drill stem tests (DSTs) and production information indicated a wide depth range of oil and tar shows and oil productivity within the Monterey. The conventional core of wells SD_1 and UD_1_30 and sidewall cores of well LVH_B2 indicated oil shows in the Monterey formation. The drill cuttings samples that were collected over most of the Monterey formation for wells LVH_O1, LVH_O2 and LVH_C3 did not indicate any oil shows even at the tested intervals. Thus, drilling cuttings cannot be relied upon for identifying oil shows.

Overall for these 6 wells, the elevations of the Highest Know Oil (HKO) and Lowest Know Oil (LKO) were at 1057 feet above mean sea level and 1722 feet below mean sea level (TVDSS), respectively, which gives a potential oil column interval of 2779 feet. This oil column interval is based on HKO and LKO correlations between SD_1 and LVH_1. It appears there is a potential for the Monterey formation to outcrop in the ridge areas near these wells.

Summary of Highest Known Oil (HKO), Lowest Known Oil (LKO) and Water Level (WL)							
Wellname	HKO, MD	HKO, TVDSS	LKO, MD	LKO, TVDSS	WL, MD	WL, TVDSS	Comments - HKO, LKO, WL
LVH_G7	unk	unk	unk	unk	unk	unk	unk no cuttings/core/ DST
SD_1	655	1057	3189	-1477	4449		-2737 HKO, LKO based on DST & a WL based on DST
LVH_O1	1561	-301	2982	-1722	unk		unk HKO, LKO based on Production thru Perfs
LVH_O2	845	15	1313	-453	unk		unk HKO, LKO based on prod perfs and TD
UD_1_30	unk	unk	4408	-3548	5150		-4290 LKO based DST & a WL based on logs (both possible but questionable)
LVH_C3	511	530.5	1086	-44.5	unk		unk DST at 1966 4 bopd above Mont., TD=1086 for LKO may be questionable
LVH_B2	412	536	828	120	unk		unk Cuttings desc, tar on fractures surfaces in the Monterey

Note, tar specs were identified on cuttings sampled in LVH_B2 from shallower depths than the identified stratigraphic top of the Monterey formation. In well UD_1_30, the LKO was based DST results and a possible WL at 5150 ft-MD (4290 TVDSS) was based on a declining resistivity gradient and resistivity values at 1 ohm-m. Note, the TVDSS depth corrections were made by taking the difference between the well log drilled depth and the KB elevation provided by the client, as directional survey data was not available.

The available raw resistivity response curves of the 7-well data set may show some invasion, because of some separation displayed between the shallow and deep depth-of-investigation resistivity curves. Resistivity response generally ranged between 10 and 20 ohm-m and peaked near 100 ohm-m. Without specified stratigraphic correlation markers in the Monterey formation, a depth datum of 0 feet TVDSS was used to align the well logs as show in the A-B cross section (Figure 6). Note, the A-B cross section index location is shown in Figure 5.

Neither calibrated neutron nor density well logs were available for the 7-well data set. Although, an un-calibrated legacy neutron well log in API units was available for well LVH_C3, it was not useable to estimate porosity. Using analog information from the Santa Maria Basin area and based on the conservative estimates of porosity for the expected diagenetic silica-phase (Opal-CT from 1800 to 4000 feet drilled depth and diagenetic-quartz at depths greater than 4000 feet drilled depth) and/or dolostone, an average total porosity (matrix and fracture) was estimated to range between 8 and 18 percent bulk volume. When core analysis data is available, a key input in the estimation of porosity for diagenetic silica is the grain density which may vary from 2.10 to 2.65 g/cc.

Mid-range oil saturation values of 45 to 60 percent pore volume (water saturation of 55 to 40 percent pore volume) were estimated from which to estimate the original oil in place (OOIP). Experience in the Santa Maria Basin indicates a mid-range oil saturation estimate is

reasonable based on available data and at this initial level of reservoir characterization. Typically, oil saturations for the Monterey formation are determined from core analyses (RCAL and SCAL) for each rock type. Core analyses are used with modern well logs to develop predictive water saturation models (hence oil saturations) for each rock type.

The development area is 160 acres and includes the previously drilled wells that produced oil from the Monterey formation. Based on regional geological map interpretations, the 160 acres is located within the crestal area of the La Voie-Hadley (LVH) anticline (Figure 2). The remaining acreage of the lease area is designated as the potential development area.

Within the LVH anticline of the remaining acreage, the most likely and high areas of 400 and 600 acres, respectively, were estimated based on extending the pay interval down structure to deeper depths within the estimated oil column thickness. These data were used in a probabilistic approach to improve the estimated ranges of expected values in this assessment.

Although drill stem tests bracket roughly a 2,300 feet oil column, there is no proof, or firm basis to state that the entire column is productive. As discussed previously, there are conventional cores and sidewall cores that indicate reasonable oil saturation, but they do not cover the entire column. The drill cuttings which have wider sampling do not indicate any oil shows even at the tested intervals and cannot be relied on. Furthermore the well logs do not include density measurements that would help in characterizing potential pay. Based on analog data referred to in the Geology section of this report, net pay thickness for a matrix and fracture Monterey reservoir was estimated to range between 200 and 960 feet with the most likely estimate at 500 feet. The net pay thickness uncertainty will be fairly addressed by the drilling of new wells that will acquire modern logs and new cores and fluid samples.

The range of input variables for the probabilistic estimation is shown in Table 1 and output is shown in Table 2 of this report. Assuming the most productive and best reservoir quality would be located in the crestal structural position of the anticline, a relationship may exist between the smallest area of development (160 acres) and the thickest net pay. As part of the probabilistic estimation, a correlation test was performed which indicated a possible weak negative correlation at a -0.5 correlation coefficient.

Development Plan

United Hunter Oil & Gas Corporation (United Hunter) plans to drill 12 new wells within the next 5 years in order to obtain new subsurface information and to initiate production using intermittent hot water injection. In this approach hot water will be injected in each well for intermittent periods followed by periods of production. These wells will be drilled and completed as vertical or near vertical, and will be logged using the appropriate modern logs. Fresh cores and fluid samples will taken and analyzed. United Hunter plans to use reservoir modeling that will involve the construction of a geological model and reservoir simulation using thermal and dual permeability formulations to assess the recovery potential and to optimize vertical and horizontal spacing in conjunction with injection rates and schedule. The intent is to develop the field on 10 acre spacing, although some of the first wells will be drilled further apart for delineation purposes. That implies that once the field development gets under way, there could be up to 60 of new wells required.

The major obstacle in carrying out this development concept, apart from drilling new wells to acquire modern logs and core data that will help in characterizing the field properties better, is securing the necessary permits from the regulatory authorities, which requires environmental impact compliance and approval.

United Hunter's assessment is that such a development is feasible provided that it is approached in stages. This will enable United Hunter to demonstrate their operational integrity and the oil recovery potential. In that regard, United Hunter has chosen to commence production operations with injection of very low quality steam that will be in the liquid (hot water) phase by the time it contacts the formation.

The practice of injecting hot water was used in the industry long before high quality steam injection was widely implemented. In this particular case the hot water injection is selected as it maximizes the volume of injected thermal fluid in relation to the heat generation facilities, which require several environmental compliance criteria to be met before they are permitted and commissioned.

In that sense the Huasna field development under this approach is perceived to adopt a maximum recovery by the least possible surface impact principle. In practice, vertical and directional wells will be drilled from central locations that at subsurface will project a 10 acre spacing pattern. Hot water injection will be applied at about 2400 bbl/day rates during the first stage of development which will include up to 12 wells.

The hot water will be injected in each well sequentially allowing wells to alternate through injection and production cycles. Recent fluid sampling has shown that increasing the temperature of the fluid by a modest amount from 900 F to 1400 F reduces oil viscosity from 100,000 centipoises (cp) to 2,000 cp.

Applied at intervals no thicker than 300-400 feet is typically accomplished by injecting at the deepest interval first and then plugging and later completing upwards at shallower depths.

Fractured shale formations like the Monterey have been shown to recover 30-40% of the oil in place with continuous steam injection and 20-30% with cyclic injection. Using thermal calculations, it is estimated that with hot water the expected recoveries will be in the 4-6% range. The wells that have been drilled and produced in Huasna under primary depletion are estimated to have recovered about 2% of the oil in place. At this stage in absence of more field data it is not possible to apply reservoir simulation estimates that will also include the displacement potential from water injection, which could potentially help in recovering more oil provided that there is hydraulic communication between wells.

GCA estimated recoverable oil based on Huasna's performance for primary recovery and by making separate thermal estimates using analytical tools. As a point of reference, GCA compared the estimated recoverable oil in terms of bbl/ac-ft, with other fields that produce heavy oil from the same formation such as Orcutt, and Santa Maria, but cannot be considered direct analogs as they produce less viscous oil. Recoverable oil per unit rock volume in Orcutt and Sanata Maria range between 50 to 150 bbl/ac-ft. Oil gravity in the Monterey formation in California is generally between 12 and 18 API o (Regan, 1953). In the Santa Maria basin, oil gravity within different horizons of the Monterey formation can range from 8 to 23 API o (Isaacs, 1984). According to our estimates, the recoverable oil is estimated at 24 bbl/ac-ft, which is reasonable to expect for the heavier oil gravities found in Huasna.

Figure 1: Oil Field Map showing Santa Maria Basin Fields and Huasna Oil Field

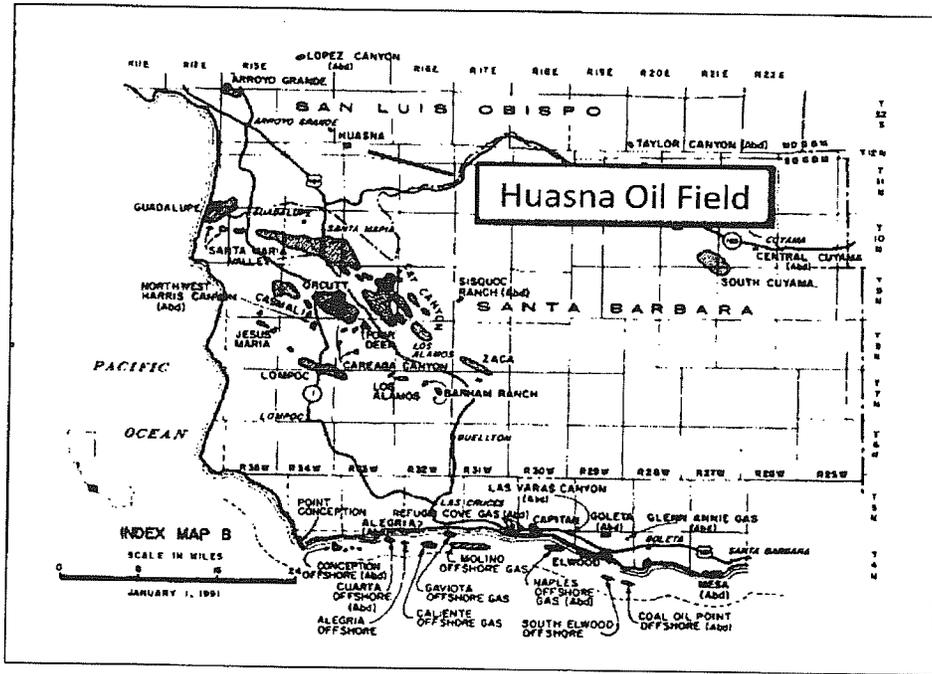


Figure 2: Huasna Oil Field Well Locations, and Synclinal and Anticlinal Structures

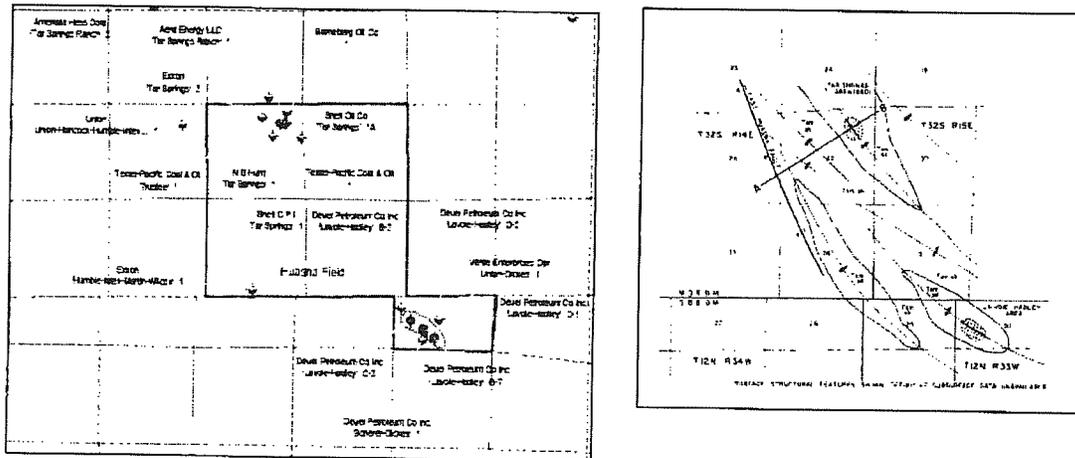


Figure 3: Stratigraphic Correlation Section

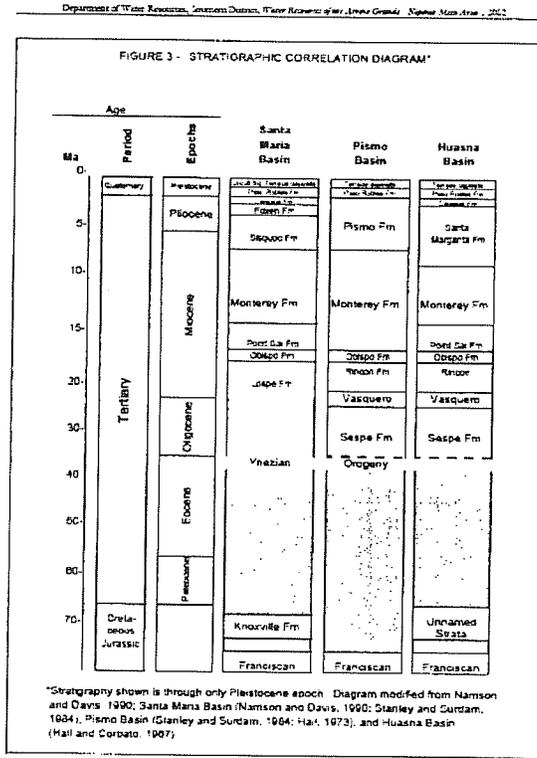


Figure 4: Analog Santa Maria and Huasna Oil Field Well Logs for Monterey Formation

Santa Maria Basin (SW to NE) and Huasna Basin

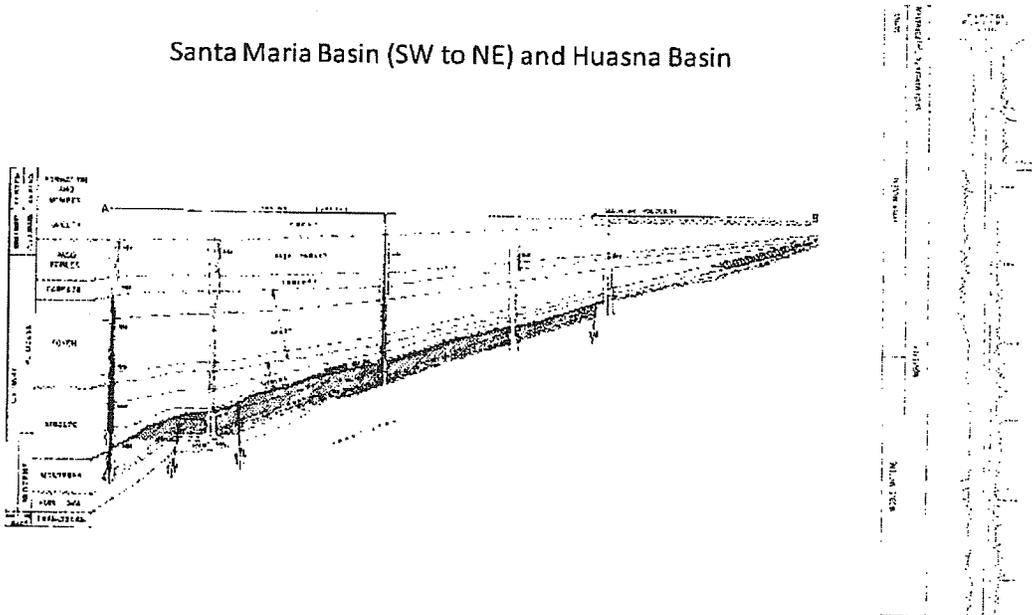


Figure 5: Current Development Area (160 ac) within Potential Development Area (beige) and A-B Cross Section Index Location

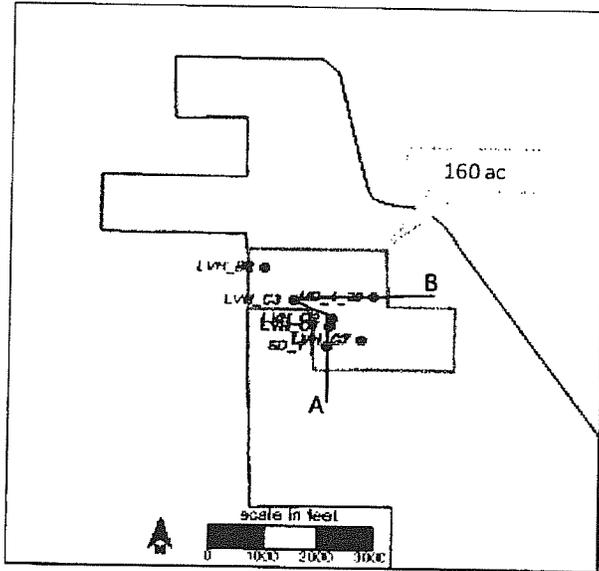
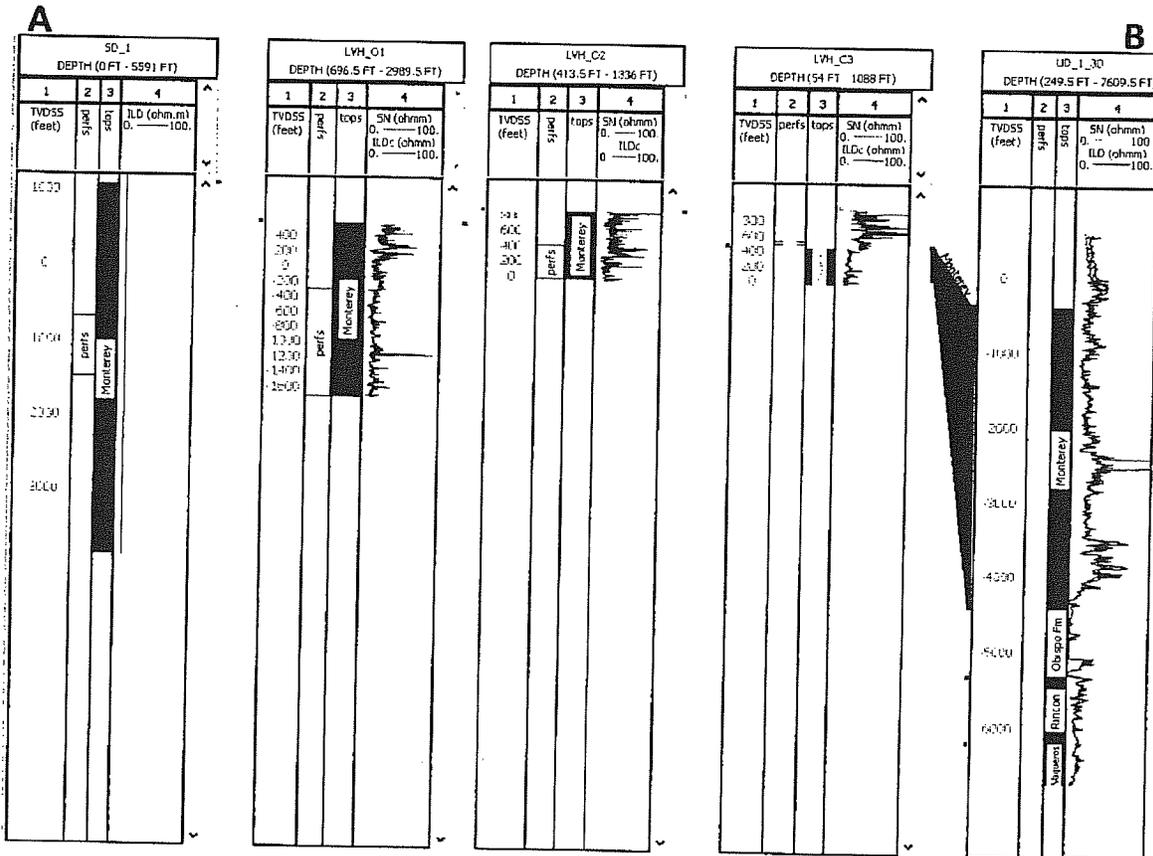


Figure 6: A-B Cross Section Wells: SD_1, LVH_01, LVH_02, LVH_C3, UD_1_30



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Excelaron Oil Project

Tracy Del Rio

to:

Paul Teixeira, Adam Hill, Frank Mecham, jpatterson, bgibson

05/06/2012 01:59 PM

Hide Details

From: Tracy Del Rio <tracydelrio@gmail.com> Sort List...

To: Paul Teixeira <pteixeira@co.slo.ca.us>, Adam Hill <ahill@co.slo.ca.us>, Frank Mecham <fmecah@co.slo.ca.us>, jpatterson@co.slo.ca.us, bgibson@co.slo.ca.us

Dear BOS:

My name is Tracy Del Rio and I am writing this letter to communicate to you my opposition to the oil application. This land use application has been dragging on long enough. The project with all of its faults has been turned down by your planning commission already. They recognized the flaws and the blaringly obvious incompatibilities with the neighborhood, the community and the larger goals of this county. Industrial sized, high risk and unpopular projects such as this are not hospitable to the Huasna Valley, Arroyo Grande City and District 4! This project needs to be voted down. Please follow your planning commissioner's steps and deny the project.

Sincerely,

Tracy Del Rio
Arroyo Grande, CA

Exelaron hearing

Maggie

to:

pteixeira@co.slo.ca.us

05/05/2012 01:36 PM

Hide Details

From: Maggie <maggieskinner37@gmail.com>

To: "pteixeira@co.slo.ca.us" <pteixeira@co.slo.ca.us>

Dear Supervisors,

I am a resident of Arroyo Grande and spent several years living and working in the Huasna Valley. The things that always impressed me the most are the clean air, quiet and serenity. We were able to grow wonderful fruits and vegetables. It was important to me, as a grandmother, that my grandchildren were able to grow up in such a place. Huasna is the essence of why I was drawn to the Central Coast. Any industrialization of Huasna would set a precedent for the rest of the county, putting in jeopardy the quality of life that attracts people to want to live here. Please say NO to the Excelaron project!

Sincerely,

Maggie Skinner

Sent from my iPad

Excelaron Project

Bryan and Gaylene

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/04/2012 09:03 PM

Hide Details

From: Bryan and Gaylene <huasnacooks@gmail.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Dear Supervisors,

My name is Bryan Cook and my wife and children moved to Huasna in 2002 in order to fulfill our dream of the "country life". Like many of you we have had to sacrifice in order to fulfill our dreams. Some of the sacrifices we are making include large mortgages, larger fuel bills and the costs included in keeping gentlemen ranches in order. My family has been Ok with these sacrifices because we get to enjoy the blessing of quietness, peacefulness and the small community atmosphere. Many of you have made sacrifices in order to get what you have and I trust that you can empathize with my family and the Huasna community.

I realize that you have a tough decision to make soon regarding the Excelaron project and I am asking that you consider my family my neighbors, my friends that love to visit here and the community by taking a stand against any industrial type projects in our small, peaceful rural town. As a third generation family in this county we are here for the long haul and plan to pass our property on to future generations, thank you ahead of time for allowing us to continue to live in "God's Country" with something of value to pass on.

Sincerely,

Bryan and Gaylene Cook

11205 Bobcat Lane, AG 93420

474-1535

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2093.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
3/7/2012
POSTED ON: May 9, 2012

I OPPOSE THE HUASNA VALLEY EXCELARON PROJECT

Rory Aronson

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/04/2012 01:13 PM

Hide Details

From: Rory Aronson <rory@roryaronson.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Hello Board of Supervisors,

My name is Rory Aronson, a 4th year engineering student at Cal Poly and resident near downtown San Luis Obispo. I **STRONGLY OPPOSE** the Huasna Valley Excelaron Project. I am familiar with Huasna, and think the project is a bad fit for the location. I think that the character of rural communities like Huasna should be preserved and I believe that industrial development in SLO's rural, agricultural communities will compromise the quality of life out there.

--
Rory Aronson
Founder & Mechanical Engineer
Co-Founder & Board Member
President
Mechanical Engineering Student
Cal Poly, San Luis Obispo
760 994 7902

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web1869.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/11/2012
POSTED ON: May 9, 2012

Excelaron

fmecham, bgibson, ahill, pteixeira, jpatterson

05/04/2012 09:31 AM

Members of the SLO County Board of Supervisors,

I am emailing to express my opposition to the proposed Excelaron development in Huasna Valley. Not only was this development rightly found to be inconsistent with the San Luis Obispo County General Plan, it is a short-sighted and harmful proposal that would destroy something unique (the rural quality of Huasna Valley, with working farms, etc.) in favor of something that has no place in our area (oil production).

I am aware that oil production needs to continue somewhere (it will continue until the oil is either gone or too expensive to extract). However, Huasna Valley is absolutely not the place for such production.

Thank you for your consideration of this matter. I look forward to hearing that the proposal has been again denied.

Yours,
David

Dr. David Arrivee
Director, Cal Poly Symphony - <http://symphony.calpoly.edu>
Associate Conductor, Festival Mozaic - <http://www.festivalmozaic.com/>

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Board of Supervisors meeting 5/15/12

Dennis Allan

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 01:59 PM

Hide Details

From: Dennis Allan <dennis@allanrealestate.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Dear Board of Supervisors:

My wife and I operate a cow/calf operation in the Huasna Valley and a real estate business in Arroyo Grande. We have been active in the local community for over 30 years. We would like you to consider supporting the hundreds of families in and near the Huasna Valley in denying the appeal for the Excelaron project. This project would cause major forest fire risks and may contaminate our limited water supply. The EIR, County Staff and the Planning Commission are on record saying this project is a net liability to our County. This is not just another "NIMBY" situation. The project and the applicant are not right for our County. Thank you for your consideration.

Dennis

805.473.7500 office

805.441.4434 cell

805.489.7711 ranch

--

Dennis Allan, Owner/Broker, Realtor, CRS, CRB, GRI, SRES, MBA

Allan Real Estate Investments

California Brokers License #00961923

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED BY: SUPERVISOR MEETING
5/11/2012
POSTED ON: May 9, 2012

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2296.htm

Huasna Valley- Excelaron appeal hearing on May 15

Julie Fallon

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 04:08 PM

Hide Details

From: Julie Fallon <gwennyd@hotmail.com> Sort List...

To: <fmecham@co.slo.ca.us>, <bgibson@co.slo.ca.us>, <ahill@co.slo.ca.us>, <pteixeira@co.slo.ca.us>, <jpatterson@co.slo.ca.us>

Dear San Luis Obispo County Board of Supervisors:

I strongly urge you to stand firm in preventing Excelaron from drilling oil in Huasna Valley. This project would literally destroy Huasna Valley. On a larger scale it would set a dangerous precedent for the character and growth of our treasured community and would compromise the environmental safety of this area for future generations.

People move here and pay for a healthy lifestyle that includes a 'green belt'. Weather or not community members are environmentally inclined, we all enjoy and pay for the beauty of this County. Weather or not we are pro-agriculture, we all benefit from healthy local foods and ranching and charming agrarian views. We move here and pay our local taxes entrusting the Board of Supervisors to protect these common interests. Please stand strong.

Julie Fallon

Soil and Water Resource Specialist

Laguna Lake, SLO County longterm resident

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web6009.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/7/2012
POSTED ON: May 9, 2012

Excelaron/Mankins Project

elizbet

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 06:43 PM

Cc:

ron

Hide Details

From: elizbet@earthlink.net Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Cc: ron@huasnavalley.com

Please respond to elizbet@earthlink.net

Dear Mr. Mecham, Mr. Gibson, Mr. Hill, Mr. Teixeira, and Mr. Patterson:

As citizens of San Luis Obispo County and two of the 400 local residents of the proposed Excelaron/Mankins project, we are respectfully requesting that you support the recommendation of County Planning Commission to deny the project. The project, as proposed, has five unavoidable impacts, including aesthetics, air quality, noise, land-use compatibility and biological damage in the event of a spill.

Given the significance of any one of these impacts (and there are many more), we do not believe there is credible evidence that would offer the Board any alternative but denial. Excelaron's projections of tax revenues and head of household jobs are speculative and highly inflated and based on a best-case scenario for oil production. Their project will require a large expenditure of energy, remove a resource from our county and severely impact a pristine environment steeped in a fertile, rural, agricultural community. The Excelaron/Mankins project benefits few and negatively impacts many. It has no place in our community and we hope you agree.

Sincerely,

Betsy Kiser and Skip Dyke
5405 Huasna Road
Arroyo Grande, CA

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web8784.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/7/2012
POSTED ON: May 9, 2012

Huasna Oil Development

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 11:48 AM

Hello,

Please put this terrible effort by Exceleron away once and for all. Nobody wants this oil exploration. It would devastate this section of our beautiful county.

This is just the tip of the iceberg. They are trying to get their foot in the door. Close the door hard!
Please pass a law that makes FRACKing illegal in San Luis Obispo county.

Thank You,

Erica Reinheimer
580 Gularte Rd
Arroyo Grande, CA 93420

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Exceleron Project Appeal

Gibson, Bruce, ahill, pteixeira, Patterson, Jim,
fmecham

05/03/2012 10:49 AM

Supervisors,

We have spoken to some of you personally about the issue of Exceleron's project for Huasna Valley. By now there is little or nothing new to say. But we are writing to again voice our unwavering opposition to this ill-conceived development that will narrowly enrich a few at the deep expense of many...and not just our residents living in Huasna.

The planning process has made it clear that this is one industrial project freighted with multiple, unmitigatable negative impacts while offering very little benefit to the county. Please vote to finalize the denial of Exceleron's appeal.

Sincerely,

Mark & Elana Shefrin
Nipomo, CA 93444
805-929-6520
markshefrin@gmail.com

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Exceleron Permit Appeal Hearing
jyacono
to:
fmecham, bgibson, ahill, pteixeira, jpatterson
05/03/2012 10:40 AM
Hide Details
From: jyacono@aol.com Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

DATE:
THU-03-MAY-2012

FROM:
JAMES & JACKIE YACONO
4705 Huasna Road
Arroyo Grande, (SLO County) CA 93420
805.473.2513

TO:
SLO COUNTY BOARD OF SUPERVISORS

SUBJECT:
EXCELERON PROJECT PERMITTING

Dear Board Members:

We purchased our property and moved into the Huasna Valley, on Huasna Road in 1998. Prior to that, we lived in The Village of Arroyo Grande for many years. We are established residents here in the Huasna Valley and in SLO County.

We live here because we wanted to be free from the traffic and industrial noise that exists in the cities and in the depressed and gritty industrial areas of town. To do so, we sacrificed most of the amenities, convenience and domestic pleasures town dwellers enjoy. We have spent a great deal in financial resources and personal time and effort to live here. Now our quality of life here is threatened.

Exceleron is bad for the Huasna Valley. The do not belong here and they do not fit in here. They will contribute nothing to the character and quality of life in the Huasna Valley. Exceleron and its slick promoters care about one thing....a quick profit. If they go in, the rural, parochial character of an historic part of SLO County and The State of California will forever be damaged. The dreams of many residents in the Huasna Valley will be irreversibly

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ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/7/2012
POSTED ON: May 9, 2012

altered and destroyed. We all live out here to enjoy the peaceful character and the rural, agricultural (farming and ranch) lifestyle that has existed here for generations. We elected you to protect the interests of County residents and we need you to do that now.

Huasna Valley residents, and the County at large are threatened by a small-time, slick speculator.....Exceleron, who wants to essentially rape our rural environment for a quick financial reward, leaving Huasna Valley residents, visitors, other County residents and SLO County Administrators stuck with having to deal with a never-ending litany of broken promises, oil spills, odor and pollution violations and hidden damage to the environment. These distasteful eventualities are inherent in small time and large oil production operations. SLO County and residents of the Huasna Valley are ill-equipped to deal with these problems in yet a new location, and any financial gain to the County by allowing Exceleron to operate here will be offset by not only the dashed dreams of residents and visitors here, but in huge and unexpected administrative costs to the County.

The Directors' best course of action is to uphold Staff recommendations and DO NOT grant Exceleron a permit to operate.

REPEAT:

PLEASE DO NOT GRANT EXCELERON A PERMIT TO OPERATE IN THE HUASNA VALLEY.

Best regards,
James & Jackie Yacono

ITEM #20

MEETING DATE: May 15, 2012

PRESENTED BY: Supervisor Paul Teixeira

RECEIVED PRIOR TO MEETING

POSTED 5/9/2012

Excelaron vs Property Values

William C. Buckingham

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 09:15 AM

Hide Details

From: "William C. Buckingham" <wcbuckingham@surfnetc.com> Sort List...

To: <fmecham@co.slo.ca.us>, <bgibson@co.slo.ca.us>, <ahill@co.slo.ca.us>, <pteixeira@co.slo.ca.us>, <jpatterson@co.slo.ca.us>

May 3, 2012

William C. Buckingham
10150 Bar BB Lane
Arroyo Grande, CA 93420

I live and own property in the Huasna Valley since 1987.

I am opposed to the proposed drilling in the Huasna Valley area. As the county of SLO tries to deal with the budget shortages, I know the county is looking at all forms of revenue streams to meet budget deficits, and listening to the representatives from Excelaron, this will produce jobs and revenues to the county from permits, fees and taxes. The Final EIR states that there will be very little impact in revenue growth or job creation, but the area that the Final EIR does not address is the decline in property values from the Excelaron project. Anytime there has been an oil or gas operation in a residential rural setting, property values have dropped!

With a proposed oil production in the Huasna Valley, this has already put a halt on several real estate transactions both on Huasna Road and Huasna Townsite Road. People who are looking to live in a rural area are doing so for its scenic views and it tranquilly, not the noise of generators operating 24 hours a day to operate oil pumps, and the odors associated with oil and gas exploration/production. This will lower property values, which in turn will lower property tax revenue for the county. With the amount of opposition to this project, residents affected will surely file an **"Application for "Decline-in -Value" Reassessment (Prop. 8) with the County Assessor's Office.** I'm also sure the affected residents will find some donated help when navigating the

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2568.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Assessment Appeal process with the BOE.

Thank you for your time.

Sincerely,

William C. Buckingham, CPA

Excelaron appeal hearing on May 15th

05/03/2012 08:15 AM

fmecham, ahill, pteixeira, jpatterson, bgibson
Please respond to stacey

To the Board of Supervisors:

Hello, my name is Stacey Elliott and our family lives in Huasna on Tar Springs Ranch. The reason for the note is to ask you to please uphold the decision made to deny the Excelaron project. It is a bad fit for our area. Most of us bought land and moved out to our area for the rural and country atmosphere. We paid for lack of noise and light and traffic. We want to have fields and open space and wildlife around us. That would all change with Excelaron coming in.

There are too many unknowns in this project and things that are just based on their word of "we have no plans to do that at this time" or "we won't be doing that." The problem with that is there is no way to enforce any of the issues if they choose not to follow the rules. The county admitted that at the last public meeting.

Please, help us to protect Huasna Valley. Thank you.

Respectfully,

Stacey and George Elliott
7360 Huasna Rd
Arroyo Grande, CA 93420

Opposition to Excelaron project in Huasna
Elin McCall

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 08:03 AM

Hide Details

From: Elin McCall <elinmccall@hotmail.com> Sort List...

To: <fmecham@co.slo.ca.us>, <bgibson@co.slo.ca.us>, <ahill@co.slo.ca.us>,
<pteixeira@co.slo.ca.us>, <jpatterson@co.slo.ca.us>

Security:

To ensure privacy, images from remote sites were prevented from downloading.
Show Images

I wanted to put my two cents in to let you know that as a resident of Arroyo Grande, I am opposed to the Excelaron project in Huasna. I moved here because of the rural flavor of the area and have many friends in Huasna. This will not benefit our area or our county. Please deny this project.

Sincerely,
Elin McCall

Elin

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012
5/7/2012

Stop Huasna exploitation please

Risa Kaiser

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/03/2012 07:52 AM

Hide Details

From: Risa Kaiser <risakaiser@sbcglobal.net> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

2 Attachments

--static--lake2 b.jpg --static--lake2 t.jpg

Dear Supervisors,

I am Risa Kaiser, resident for 12 years at 286 Longden Drive, Arroyo Grande. I have visited the lovely, pristine, rural Huasna Valley many times. I have been opposed to the Excelaron project from the beginning for the effect it would have on the residents of Huasna who have chosen to live 10 miles from town for the serenity of their agricultural environment. I have also learned of the negative impact the truck transport would have on the village of my home town.

Although I am certain that this board would never overturn a denial by your planning commission, I wish to add my voice to the chorus of requests for you to deny the appeal of Excelaron. Let us be finally

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/-web5426.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED BY: [REDACTED]
POSTED ON: May 9, 2012

finished with this intruder and feel safe about our quality of life.

Sincerely,
Risa Kaiser

Huasna Valley Exceleron Hearing

Gina Whitaker

to:

fmecham, bgibson, Adam Hill, pteixeira, Jim Patterson

05/02/2012 04:43 PM

Hide Details

From: Gina Whitaker <uuspirit@me.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, Adam Hill <ahill@co.slo.ca.us>, pteixeira@co.slo.ca.us, Jim Patterson <jpatterson@co.slo.ca.us>

Supervisors:

I have lived in Arroyo Grande for 30 years. I am familiar with the Huasna area, as I was a customer of the Huasna Valley Farm for 5 years when they operated a farm produce CSA. I have often visited the Huasna Valley in my bicycling days. Altogether, the Huasna Valley is a magnificently beautiful area, home to many wildlife and human families.

Please DO NOT approve the Excelaron oil drilling project. This will certainly ruin the beauty of Huasna for everyone and everything that lives there. Rural communities like Huasna need to be preserved, and our money, time and creativity need to be utilized coming up with more and more ways to implement alternative energy solutions, not drilling for oil on every stretch of open space!

Attempts at drilling for oil in Huasna in the past have failed. Ruining the beauty of this part of our county is not worth even the possibility of a few hundred barrels of tar being extracted from the ground. Based on the failure of previous attempts, to predict thousands and thousands of barrels of oil successfully being extracted is ludicrous.

Please deny this project on May 15.

In faith,

Gina Whitaker

Arroyo Grande

"To love one another does not mean to agree about everything. Love is in part about a willingness to put aside what we are convinced is right in order to be careful enough to listen to one another."

Melissa Harris-Lacewell

Huasna valley
Alice Reinheimer
to:
fmecham, bgibson, ahill, pteixeira, Jim Patterson
05/02/2012 05:41 PM
Hide Details
From: Alice Reinheimer <alicer1@charter.net> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, Jim Patterson <jpatterson@co.slo.ca.us>

Dear Supervisors:

I'll make this short if you do not have the time to read further. I ask that you NOT support the Excelaron project in Huasna Valley.

I am very familiar with Huasna valley. I go there to ride my bicycle on the empty country roads and enjoy the rural peace and quiet. I was a member of the Huasna Valley CSA when it was operating and I have visited their farm several times. I marveled at the peace and quiet, the wildlife (I've seem my only mountain lion near there) and the clean air.

I in no way want to see the rural nature of any part of the Central Coast compromised, but pristine Huasna Valley in particular is still unspoiled . When I heard that the proposed oil wells would produce noise 24 hours a day, my heart broke. There are so few truly quiet places left. We need to draw the line at exploitation of the public commons (air, water, quiet) for private gain right here. Please do NOT support the Excelaron project in Huasna.

All the best,
Alice Reinheimer
Arroyo Grande

Exelaron

ximena tagle

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/02/2012 07:59 PM

Hide Details

From: ximena tagle <ximena622@hotmail.com> Sort List...

To: <fmecham@co.slo.ca.us>, <bgibson@co.slo.ca.us>, <ahill@co.slo.ca.us>, <pteixeira@co.slo.ca.us>, <jpatterson@co.slo.ca.us>

We are residents of Nipomo, Ca., 989 Sweet Gum Lane, and often travel to Huasna not only for the beauty of the place but also to buy vegetables. We cannot imagine how incongruous it would be to have the Exelaron project in that area and hope you will reject their proposal. Thank you

Mr. and Mrs. Paul W Ames
459-2049

Huasna NO

ljoines@gmail.com

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

05/02/2012 09:45 PM

Hide Details

From: "ljoines@gmail.com" <ljoines@gmail.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Please respond to ljoines@gmail.com

Dear Board Members,

I have worked as an architect in the county for over 20 years and teach at California Polytechnic. I teach my students about fitting buildings into a sense of regionalism and being aware of a sense of place and belonging in the land. The 'place' of Huasna is absolutely unique. The fact that it is a dead end, not for through traffic, and really an escape to times past is a great thing to be able to experience in our county. It is easy to imagine what times must have been like when you are there. I have also designed houses in the Huasna Valley and am very familiar with the sense of place from that perspective. I made sure that the houses had a farm like character, and rural feel to them, and that they were passive solar homes which generated their own heat and a hot water via the sun.

My vote is NO on the Exceleron project.

Thank you

Laura Joines, AIA

ljoines@gmail.com

530.433.1111

www.lajoinestudio.com

10141 - 10142 - 10143 - 10144 - 10145

10146 - 10147 - 10148 - 10149 - 10150

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10171 - 10172 - 10173 - 10174 - 10175

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ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/7/2012
POSTED ON: May 9, 2012

huasna valley
Elizabeth Aebischer

to:

fmecham, bgibson, ahill, pteixeira, jpatterson, Jenn Skinner
05/02/2012 09:49 PM

Hide Details

From: Elizabeth Aebischer <lizaeb@gmail.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us, Jenn Skinner
<jenn@huasnavalleyfarm.com>

Dear County Board of Supervisors,

My name is Elizabeth Aebischer and I live near downtown San Luis Obispo. I am familiar with Huasna Valley and believe it's crucial that we maintain that space as an agricultural treasure. San Luis Obispo County is known for prizing its beautiful open spaces and local food. I would be very disappointed to see Huasna Valley's unique, healthy rural landscape destroyed by the Excelaron oil project. It would be a devastating mistake and would affect future generations for years to come. Now is the time to make decisions that slow global warming and support local food production.

You know what is good for our community, and the Excelaron oil production facility is not good for us, for our children, or for our neighbors.

Please vote against the Excelaron project.

Thanks,

Elizabeth Aebischer

Huasana
Mariah Braxton
to:
pteixeira
05/02/2012 10:08 PM
Hide Details
From: Mariah Braxton <mariah322@gmail.com>

To: pteixeira@co.slo.ca.us

Please consider carefully the overturning of your decision of March 2, 2012 concerning Excelaron. Allowing that company to extract oil in the Huasana area would totally destroy the natural beauty of the area.

Thank you for serving SLO County.

Mariah Braxton

oil drilling in Huasna

Kathy Bornino

to:

fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

05/02/2012 11:01 PM

Hide Details

From: Kathy Bornino <kbornino@yahoo.com> Sort List...

To: "fmecham@co.slo.ca.us" <fmecham@co.slo.ca.us>, "bgibson@co.slo.ca.us" <bgibson@co.slo.ca.us>, "ahill@co.slo.ca.us" <ahill@co.slo.ca.us>, "pteixeira@co.slo.ca.us" <pteixeira@co.slo.ca.us>, "jpatterson@co.slo.ca.us" <jpatterson@co.slo.ca.us>

Please respond to Kathy Bornino <kbornino@yahoo.com>

To the County Supervisors.

I live off Highway 227, close to the road to Lake Lopez and Huasna. The road to the lake is a treasure, as are the farms and winery along the way. Their rural character is a big part of why I moved from southern California to the beautiful central coast. I had to escape the poor air quality due to refineries in the South Bay area of Los Angeles. Oil drilling would likely change the water table (already precarious) would not fit at all with the character of Huasna valley. Please stick with the general plan and the findings of the planning commission.

Thank you,
Kathy Bornino

r

Excelaron vs. Huasna oil

fmecham, bgibson, ahill, pteixeira, jpatterson

05/01/2012 07:30 AM

Dear Supervisors of San Luis Obispo County,

This is regarding the appeal Excelaron has made to the county to start up their tar oil exploration in the Huasna Valley. Our property is just 50' from the dirt road that these many oil company vehicles will be using many, many times a day. We also receive hundreds of gallons of runoff rain water from the Mankins property onto our property during heavy rains. Any oil or more importantly the chemicals used in oil exploration would in turn contaminate our property and most likely contaminate the aquifer that lies just beneath and is used by hundreds of people. There are many, many other reasons that have been brought up throughout the years NOT to approve this project and many unanswered proposed plans that Excelaron has once their feet are in the Huasna area.

We have had our property up for sale for almost 6 months now and as soon as the oil exploration project comes up, our prospective buyers are gone. If this project goes through no one in this valley will be able to sell their property for any amount of money. Therefore, the taxes should also reflect the loss! We have put hundreds of thousands of dollars into our property since 2004 and never knew of any past oil exploration project that went on just next door. If we had known, we would have never bought here and given the county thousands of dollars in permits, property taxes & business taxes, water board costs and various other costs regarding an agriculture business we had on the property.

I find it completely redundant to even consider this ill-conceived Excelaron project. Please agree with the Planning Commission and deny this project that has been found to be inconsistent with the San Luis Obispo General Plan.

Thank you for your time.

Lynn Floth
Lawrence Floth
Trevor Floth
Monique Floth
Logan Floth

6250 & 6252 Huasna Townsite Rd.
Arroyo Grande, Ca. 93420

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Supervisors:

RE: Excelaron

SUPPORT your General Plan and preserve the rural agriculture land in the county.
There is not much left.

SUPPORT your Planning Commission and stand behind their decision against
Excelaron.

SUPPORT your Planning Dept. Staff findings to deny the project. They have worked
for years on this project, and know it's a bad match for this community.

SUPPORT the people of the Huasna Valley who will have to live with an industrial oil
field in their rural agriculture valley.

Don't let this project continue to drain the community's time and funds. Excelaron hasn't
been truthful about the project from the start. It has been a farce. Talk to the planning
staff to answer your questions...they have the right answers...**DENY** the project!

Shelly Gibson
5970 Deer Creek Rd
Arroyo Grande, CA

Huasna Excelaron Hearing

jpatterson, fmecham, ahill, pteixeira, bgibson

04/30/2012 12:38 AM

To the SLO County Board of Supervisors:

I hope that you will uphold the denial by the Planning Commission to allow the oil production facility in Huasna Valley. I have lived in San Luis Obispo County for 31 years, and am very familiar with the lovely Huasna Valley and its community. The Excelaron project should not be permitted to go forward.

My family and I came to this county for a quality of life that should be preserved for and cherished by future generations, not ruined by ugly and unnecessary industrialization. You should do the right thing and support the Planning Commission's insight and integrity.

Sincerely,
Judith B Yager
140 Surf St
Pismo Beach, CA 93449

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

RECEIVED

April 16, 2012

APR 30 2012

The Honorable Paul Teixeira
Room D-430, County Government Center
San Luis Obispo, California 93408

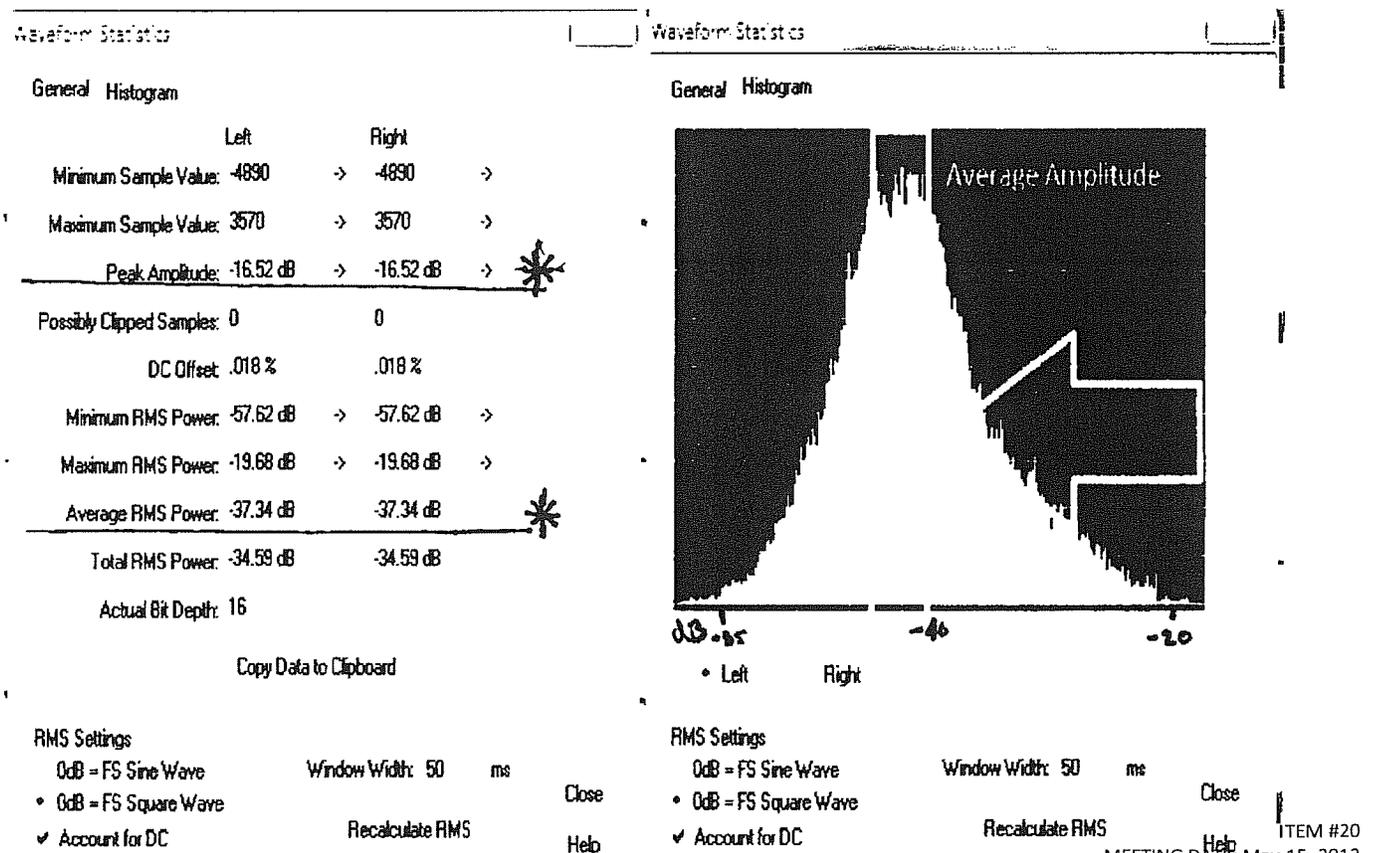
Board of Supervisors
San Luis Obispo County

Dear District Supervisor Teixeira:

It has come to my attention that Excelaron LLC has filed an appeal for their oil drilling project in the Huasna Valley. I am writing to display my concerns. Although I have many, I'd like to focus specifically on the noise that all the machinery might produce, and also attempt to display that the project would yeild too little.

According to Miller and Spoolman, the little amount of crude oil that is in the country (about 1.5 percent of the world's supply) is mostly located in environmentally sensitive areas. The U.S. Energy Information Agency and several independent geologists predict that even if the country were to open up all public lands and coastal regions, we would only meet about 1 percent of the country's annual need. The costs in production would be very high, and the net energy yield would be too low. The environmental damage would be irreversible.

With regards to the noise, I have recorded a sample of the night ambient levels using a Tascam DR-07 portable digital recorder.



ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

▲ The recording was taken April 16, at 9:39 on Huasna road (near Talley Farms), and shows how quiet the ambient is in the area. Most of the noise is at -37.34 dB, which is considerably quiet. The peak amplitude, which was during a car driving on Huasna road, only reached -16.52 dB—still very quiet, but nonetheless it is a change that can be easily perceived (about a 20dB increase in amplitude). To take case in point, the sound of all the machines running would be very noticeable in such a quiet environment like this one.

It is hard to imagine any real benefits from drilling in the Huasna Valley. The production yield would be minimal at best, and the environmental damage substantial. Many residents, including myself, are deeply concerned about the problems that might arise if we let Excelaron LLC start drilling. Please take my concern into consideration, we need individuals like you to look after the Huasna Valley.

Sincerely,



Luis Rodriguez

1802 Huasna Rd.
Arroyo Grande, CA
93420

* Information obtained from *Sustaining The Earth*, by G. Tyler Miller and Scott E. Spoolman, 10th edition.

** Audio analysis performed by Luis Rodriguez on April 16, 2012, at 9:39 pm. Recording obtained with a Tascam DR-07 portable digital recorder. Graphic analysis done on Cool Edit 2.0 software.

Excelaron Appeal
estanshort
to:
pteixeira
04/29/2012 07:45 PM
Hide Details
From: estanshort@aol.com

To: pteixeira@co.slo.ca.us

4/29/12

SLO county Board of Supervisors

The proposed Excelaron oil project in the Huasna Valley is not a good project for San Luis Obispo County.

The 100 jobs they say would be created, would all be outsourced from other counties. Also they would not be Head of Households incomes as they would not be year round employment due to the weather closing the roads and the site 6 months out of the year.

Also the revenue they say it would create seems to be over estimated by a few million dollars for the size of the projected drilling. The road repairs alone for the traffic coming through the valley and the city of Arroyo Grande would take up any profit the project would create.

As we all know they will bring the support trucks and oil tankers through the Village of Arroyo Grande and out the Huasna road when the weather gets bad and the Porter ranch road is flooded, about 180 days of the year.

The concern over the polluting of our ground water is taking an enormous risk, as this is our only source of water in our valley. To take this as something that is acceptable for the revenue the County might receive is not acceptable to those of us who would no longer be able to live out here with no potable water. So the property values would certainly diminish and so decreased revenue for property taxes being paid to the County.

To consider the noise and odor can be mitigated is unreasonable, as anyone who has spent anytime out here would realize how peaceful the surrounding. **Have any of you actually visited the site?**

Please don't let Excelaron destroy our valley. The profits from this project will be going to a company outside of the United States. We already have enough of our money going to foreign interests.

PLEASE VOTE NO ON THIS PROJECT.

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web8951.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/9/2012
POSTED ON: May 9, 2012

Sincerely,

Nancy Short
6235 Huasna Townsite Rd.
Arroyo Grande, Ca. 93420

Deny Excelaron Conditional Use Permit
Susan and Tim Heaton

to:

pteixeira

04/27/2012 04:40 PM

Hide Details

From: "Susan and Tim Heaton" <thsh@gotsky.com>

To: <pteixeira@co.slo.ca.us>

History: This message has been forwarded.

Susan Heaton

Timothy Heaton

11352 Bobcat Lane

Arroyo Grande, CA 93420

thsh@gotsky.com

April 27, 2012

San Luis Obispo County

Board of Supervisors

San Luis Obispo, CA 93401

Dear Supervisor Teixeira:

We are writing to you in reference to the request for a Conditional Use Permit (DRC2009-00002) by Excelaron LLC. We do not support this project. It is our hope that the members of the Board of Supervisors will follow the recommendation of the county planning staff report and the decision of the County Planning Commission to deny this CUP.

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web4596.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/7/2012
POSTED ON: May 9, 2012

We have written comment letters on the DEIR and letters to planning commission staff and letters to the Planning Commission. As we hope and believe you have seen those letters, we will not waste a lot of your time in reiterating them here. Our last letter in opposition to this project was written to Planning Commissioners on February 15, 2012.

The San Luis Obispo Planning Commission on March 8, 2012 voted to deny the CUP application, by a vote of 4-1. They heard the concerns of Huasna Valley residents and acted accordingly. An oilfield and oil production facility is totally out of character in our serene, scenic and agricultural valley. We know you understand that five class one impacts, as reported in the EIR, should be enough to deny the project, strictly on environmental grounds. Planning Commissioner Murphy brought up the vote for denial, citing the five class one impacts and sensing the thoughts of the Huasna Valley residents. We met you here in Huasna at one of our pot lucks, and we know you realize what a treasure the county has in our rural, scenic valley. We expect you to vote to deny this project.

It is not in the best interest of the tax-paying citizens of Huasna Valley to introduce such an inconsistent use to our land. At this point, the Board of Supervisors has the potential for ultimate control of this ill conceived project. In order to retain that ultimate control, the project must be denied. If approval is given, the county loses most of its authority to regulate what happens under ground and a lot of what happens above ground. The only way to retain control of this project is to deny it.

Please support your county planning staff and Planning Commissioners recommendations and hear the pleas of the people you are elected to serve.

Deny the permit!

file:///C:/Users/dgeaslen/AppData/Local/Temp/notes/C7A056/~web4596.htm

Huasna Valley

Iroselli

to:

pteixeira

04/27/2012 02:32 PM

Hide Details

From: iroselli@charter.net

To: pteixeira@co.slo.ca.us

History: This message has been forwarded.

Hello, I am a resident of San Luis Obispo County and was born and raised in Atascadero. I, for one, am completely against any oil development in the Huasna Valley. This county is so special because of the open space, clean air, and just pure beauty of it. Please, DO NOT, allow any oil in the Huasna Valley! Thank you

Irene Roselli

241 Charles Drive

San Luis Obispo, CA 93401

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web1161.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED BY: TO MEETING
5/17/2012
POSTED ON: May 9, 2012

Oil Drilling in the Huasna Area

Ray & Angie Fuhrmann

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

04/25/2012 12:25 PM

Hide Details

From: "Ray & Angie Fuhrmann" <rafuhrm@gmail.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Dear Mr. Mecham, Mr. Gibson, Mr. Hill, Mr. Teixeira and Mr. Patterson,

We are Raymond and Angelina Fuhrmann and we would like to express our opposition over the proposed oil exploration in the Huasna area of the South County.

In 1999, we bought property and built a home in the Huasna area. We decided to downsize and move into Arroyo Grande, selling our home last January. Even though we no longer live in that area, we feel we need to express our feelings about drilling in this special valley.

First off, if you have ever driven out the entire length of Huasna Rd. (If you haven't yet, I encourage you to take the drive) then you would see that this valley is without a doubt, one of the most pristine, original and beautiful areas in California. And we have it right here in our County!

This valley hasn't retained it's rare beauty and pristine character by accident. It is because of the way the residents, farmers and ranchers have cared for this special place.

Now, if we allow the oil exploration to begin in the Huasna area, we will forever lose something that can't be brought back.

We just cannot imagine that drilling for a low-grade, tar-like oil that will undoubtedly also require the use of fracturing would be worth the loss of this valley.

We ask that you please not allow the drilling in the Huasna area.

Respectfully,

Raymond and Angelina Fuhrmann

P.O. Box 850

Arroyo Grande, Ca. Telephone: 805-489-9488

file:///C:/Users/dgeastlen/AppData/Local/Temp/notesC7A056/~web0538.htm

Excelaron appeal hearing on May 15, 2012

Bruce Gibson

to:

fmceham@co.slo.ca.us

04/24/2012 10:29 AM

Cc:

"bgibson@co.slo.ca.us", "ahill@co.slo.ca.us", "pleixeira@co.slo.ca.us", "jpatterson@co.slo.ca.us"

Hide Details

From: Bruce Gibson <BruceGibson@JDCCM.COM>

To: "fmceham@co.slo.ca.us" <fmceham@co.slo.ca.us>

Cc: "bgibson@co.slo.ca.us" <bgibson@co.slo.ca.us>, "ahill@co.slo.ca.us" <ahill@co.slo.ca.us>, "pleixeira@co.slo.ca.us" <pleixeira@co.slo.ca.us>, "jpatterson@co.slo.ca.us" <jpatterson@co.slo.ca.us>

To: San Luis Obispo County Board of Supervisors
4-24-12

My Name is Bruce Gibson, a 64 year resident of rural Arroyo Grande. In regards to the Excelaron appeal hearing on May 15, 2012, I would hope that the Board of Supervisors will uphold the Planning Commission and the County Staff's decision to stop this project! I have Lived in the Husana Valley for 16 years and this project has no business being in a rural agriculture setting! All of the Class 1 environmental impacts alone should stop this project, much less all of the life altering changes this project would bring to the residents of Husana and all of the communities surrounding this project! Please help us end Excelaron's ill-conceived and under-funded project! Thank you for your consideration.

Respectfully, Bruce Gibson

5970 Deer Creek Rd.

Arroyo Grande CA 93420

PH: 805-481-7115

file:///C:/Users/dgeaslen/AppData/Local/Temp/notes/C7A056/~web9892.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED BY: SUPERVISOR TO MEETING
5/15/2012
POSTED ON: May 9, 2012

Excelaron project

pamdj3

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

04/24/2012 09:40 AM

Hide Details

From: pamdj3@aol.com Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us,
pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Dear SLO County Board of Supervisors:

I am directly opposed to the Exelaron/Huasna Valley project.
As a horse boarder and regular visitor to the area, I feel the rural beauty and agricultural
benefits will be compromised with such an industrial oil development.
We need to begin to preserve these "untouched and pristine" countryside in our state.
Please vote against this project.

Sincerely,
Patricia del Junco
16005 Valley Wood Road
Sherman Oaks, CA 91403

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web2269.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED FROM TO MEETING
5/17/2012
POSTED ON: MAY 9, 2012

I am opposed to the Excelaron project in Huasna Valley

Robert Palmer

to:

pteixeira@co.slo.ca.us

04/23/2012 08:44 PM

Hide Details

From: Robert Palmer <robert@platzner.com>

To: "pteixeira@co.slo.ca.us" <pteixeira@co.slo.ca.us>

Dear Supervisor:

I am writing to you regarding the Excelaron appeal hearing on May 15, 2012.

I am a regular visitor to Huasna Valley for bike riding, wine tasting and exploring nature. I am opposed to the Excelaron project because if approved, it will destroy the character of yet another cherished rural community like Huasna -- our remaining villages and communities must be preserved all all cost.

Furthermore, I believe that industrial development in SLO's rural, agricultural communities will compromise the quality of life in SLO county, and will drive good people and tourists away from our fine county.

Sincerely yours,

Robert Palmer

file:///C:/Users/dgeaslen/AppData/Local/Temp/notesC7A056/~web7360.htm

huasna valley oil field

Jason Lian

to:

fmecham, bgibson, ahill, pteixeira, jpatterson

04/23/2012 10:07 PM

Hide Details

From: Jason Lian <belgomagroup@yahoo.com> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, pteixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

reply to all of you -

I have lived in and continue to enjoy frequently visiting Huasna valley, and i am opposed to the Excelaron project, or think it is a bad fit for Huasna, i think that the character of rural communities like Huasna should be preserved, or believe that industrial development in SLO's rural, agricultural communities will compromise the quality of life that continues to draw me to huasna and the slo county.

There are 5 class-one impacts that are significant and can not be mitigated listed in the Environmental Impact Report. County staff rejected the application on the basis of those 5 areas and the fact that it is totally incompatible to have an oil field in this scenic, agricultural area.

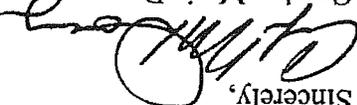
i think it would be a shame to impede upon or destroy such a wonderfully preserved piece of earth in the name of allowing an already wealthy and viable corporation to retain petroleum products. we would all be stupid to allow this to take place. as if we have not learned enough about this already. will we simply overlook the effects and the damages on our environment that will be inevitably placed ? think erin brokovich.....

thanks for your time / Jason Lian

file:///C:/Users/dgeasien/AppData/Local/Temp/notesC7A056/~web0129.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
5/17/2012
POSTED ON: May 9, 2012
Page 117 of 128

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

Sincerely,

Carolyn Marie Downey

The monetary rewards for Exceleron are difficult to comprehend on the basis of their present proposal. I believe that their actual plans must be much grander than what their proposal discloses. I do hope that you will not be duped by the promises this company is making in view of the fact they have not been forth coming in their past dealings in Huasna Valley.

- The ecology of Valley Huasna is a precious recourse for San Luis Obispo County and must not be compromised by this proposed project.
- The Huasna Valley is in a known earthquake fault zone. If you grant a use permit will San Luis Obispo County be liable if resulting earthquakes from the injection procedures cause damage to the water supply and/or buildings?
- The ground water in the Huasna Valley is already problematic in its supply and composition, a project of this kind could very well make it unusable for agriculture and human use.
- Exceleron did not clean up the environmental mess they left when they vacated the property in the early 1980s.

I strongly disagree with approving the Excelaron Proposal for the following reasons:
I own property at 6131 Huasna Townsite Road and am commenting about the Excelaron Proposal. Through your website, I have followed the saga of Excelaron in this matter.

April 22, 2012
SLO County Board of Supervisors
May 15, 2012 Meeting
Agenda Item: Excelaron
Dear Mr. Paul Teixeira,

Board of Supervisors
San Luis Obispo County

APR 23 2012

EACH SUPERVISOR
RECEIVED COPY
RECEIVED

Excelaron Project in the Huasna

mecham, bgibson, ahil, peixeira,
!patterson

04/22/2012 07:56 AM

Polly Fitzgerald
pollyjanesrecycle@gmail.com
come visit my handmade recycled stuff
www.polly-janes.com
Practice Aloha

Polly Loomis Fitzgerald
3000 Jatta Rd.
Arroyo Grande, Ca.
93420

I live on the Tar spring ranch and have spent my whole life here. I am a 5th generation family member trying to preserve what my grandfather and great grandfather so loved and worked so hard for in the Huasna. I am opposed to the Excelaron project. I think it is a bad fit for the Huasna. I think that the character of rural communities like the Huasna should be preserved! I believe that industrial development in SLO's rural agricultural communities will compromise the quality of life in this beautiful unique place that I call home. Please stop this insane project from happening!
Thanks, Polly Loomis Fitzgerald

SLO County Board of Supervisors, regarding the Excelaron appeal hearing on May 15.

Marna Sharpe

to:

fmecham, bgibson, ahill, peixeira, jpatterson

04/20/2012 10:53 AM

Hide Details

From: Marna Sharpe <mjsrgroup@pacbell.net> Sort List...

To: fmecham@co.slo.ca.us, bgibson@co.slo.ca.us, ahill@co.slo.ca.us, peixeira@co.slo.ca.us, jpatterson@co.slo.ca.us

Good morning,

Our names are Michael and Marna Sharpe, 6730 Huasna Townsite Road. We are neighbors to the proposed oil drilling of Excelaron. After heavy review of the project from all sides, it appears clear to us that this proposal will devastate our our land values, endanger our drinking water, and potentially ruin 25 years of investment into property improvement. We have senior parents to consider and our children's future here. We came to this area to embrace a clean valley, fresh water, organic gardens and peaceful tranquility. Excelaron threatens all of it. We believe it's a clear choice this is NOT in the best interest of the entire Huasna community and the constituents of greater San Luis County. Please vote NO.

Mike and Marna Sharpe

file:///C:/Users/dgeaslen/AppData/Local/Temp/notes/C7A056/~web4733.htm

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED BY: MEETING
5/17/2012
POSTED ON: May 9, 2012
Page 120 of 128

Huasna Valley Oil - KDZ 041912

Zammit, Kent

to:

fmecham, bgybson, ahill, preixeira, jpatterson

04/19/2012 03:13 PM

Cc:

web, doug, lyn

Hide Details

From: "Zammit, Kent" <KEZAMMIT@epni.com> Sort List...

To: <fmecham@co.slo.ca.us>, <bgybson@co.slo.ca.us>, <ahill@co.slo.ca.us>,<preixeira@co.slo.ca.us>, <jpatterson@co.slo.ca.us>

Cc: <web@huasnavalley.org>, <doug@toucanwines.com>, <lyn@huasnavalley.org>

1 Attachment

Huasna Valley Oil - KDZ 041912.doc

Please find attached letter to the San Luis Obispo County Board of Supervisors

file:///C:/Users/dgeastlen/AppData/Local/Temp/notesC7A056/~web8802.htm

ITEM #20

MEETING DATE: May 15, 2012

PRESENTED BY: Supervisor Paul Teixeira

RECEIVED BY: SUPERVISOR MEETING

5/17/2012
POSTED ON: May 9, 2012

April 19, 2011

In regards to: Huasna Valley Oil Development

Distinguished Members of County Board of Supervisors,

I am writing to you, as I have to many other interested parties in the past, to appeal to your sensibilities in not granting the conditional use permit that would give Excelsaron the right to drill in the Huasna Valley. During the many public meetings we have had on this subject, your planning commissioners have heard many of the reasons expressed by the citizens of this county as to why we feel this would not be a good development opportunity for this county. To be sure that testimony will not be ignored and the planning commission vote to deny the permit overturned, I am submitting the enclosed written comments as to why I feel the application is not accurate, complete or truthful - and provide justification for the Board to uphold the denial.

ENVIRONMENTAL IMPACT REPORT

The first clue that this company is being disingenuous to you, this county, and our residents was the original permit application, in which they filed a negative declaration. Only after tremendous public outcry did they withdraw that application and began an effort to develop and submit an EIR. Not surprising (at least not to any of the residents in this area) the EIR found MANY negative impacts, some of which they claim can be mitigated and others that cannot. Even with an "independent" contractor doing the EIR, there are many errors in the assumptions and conclusions. While I am not an expert in EIRs, and certainly did not have the luxury of an in-depth review and research to comment, I can point out just a few of the problems I see in the report.

- 1) Fire Safety - This EIR seems to be drafted for other areas of the country where fire dangers are not as severe as we face here in California. I know if they were drilling for oil in Louisiana, they could probably get away with a suppression system on the storage tanks and some fire water storage tanks nearby, but the Huasna valley area is remote and dry most of the year. The nearest California station is at the airport, and I would estimate the fastest response time out to Huasna would be 30 minutes minimum. We just had a 5 acre fire (the Tally Fire) in the canyon behind my house - have you seen how fast a fire can spread in 30 minutes with a light wind? The mitigations for fire are woefully inadequate. I am required to have spark arrestors on all power equipment at my house and cannot mow past 10 AM on hot dry days. Where are all the similar requirements for these operations? Can they grade and construct on hot, dry days? How about welding and grinding operations on site? What about truck drivers throwing out cigarette butts on that private road? What is the plan for evacuating people and livestock down a single, windy, two-lane road when fire crews and equipment are coming the other direction? Are there enough trailers and tow vehicles to respond for horses, cattle and other livestock? What requirements are there for local firefighting equipment during drilling operations - are they even required to have a few fire extinguishers, or are we just hoping they do the right thing? How will the county and Excelsaron reimburse homeowners for their damages in case of an uncontrolled wildfire that causes damages? Will Excelsaron just fold up operations and disappear after a large fire like their predecessor did?

- 2) Road Development - This EIR claims that all tanker truck traffic will be using the private road on the Porter Ranch to exit the development, but you have already heard that this road is flooded a good bit of the year. Do you really think that Excelsaron will spend \$1M+ per well to drill these wells, then let them sit idle a good bit of the year? This is highly unlikely due to the investment capital they would be losing in such cases, especially since there would significant well degradation and likely equipment issues (heaters and heat exchangers) to let those wells sit for extended periods. So if they simply, as I would expect them to do, start hauling oil out through public roads (Huasna and others), where is the "teeth" the county can use to shut them down? Even if the larger haul trucks use the private road, what about all the trucks that will bring in the

components, heavy equipment, PROPANE, and all of the work crews that will be needed for drilling these wells? And what about all the trips needed for well trucks that would be used to re-work the wells - this seems to have been ignored. But if you look at 3 crews of 4-5 people per 24 hour day driving back and forth for the original wells, I think you get round trip numbers far higher than shown in the EIR. I would also suggest that the drilling duration could be quite a bit longer than stated. I doubt they know for sure what the geology down-hole will be because in most cases that cannot be determined with certainty until you actually drill through it and get a look at the cuttings returned. If you have anything like hard rock (that may require more frequent round trips for bit changes) or problems like a hole collapse, or loss of drill fluid return that requires an unplanned well casing, you will have extensions to the length of the drilling program, and these problems are not uncommon.

3) Odor control and safety of H2S releases - A drive through Price Canyon is all you need to do to prove that our oil formations can generate odor. Excelaron has a really nice glibly video posted on YouTube that would have you believe that there will be no odors from this project because there is not much natural gas from this formation. Well, commercial natural gas does not smell, that is why they have to add mercaptan to it - this is what gives natural gas its distinctive rotten egg smell. It is not natural gas that smells in Price Canyon - it is sour gas (natural gas with hydrogen sulfide) or hydrogen sulfide alone. So what happens to the valley if large or even small amounts of H2S are released? Here is some toxicity data for H2S that I found on the internet:

- a. 0.00047 ppm is the recognition threshold, the concentration at which 50% of humans can detect the characteristic odor of hydrogen sulfide, normally described as resembling "a rotten egg";
- b. Less than 10 ppm has an exposure limit of 8 hours per day;
- c. 10-20 ppm is the borderline concentration for eye irritation;
- d. 50-100 ppm leads to eye damage;
- e. At 100-150 ppm the eyes are paralyzed after a few inhalations, and the sense of smell disappears, often together with awareness of danger;
- f. 320-530 ppm leads to unconsciousness with the possibility of death;
- g. 530-1000 ppm causes strong stimulation of the respiratory system and rapid breathing, leading to loss of breathing;
- h. 800 ppm is the lethal concentration for 50% of humans for 5 minutes exposure;
- i. Concentrations over 1000 ppm cause immediate collapse with loss of breathing, even after inhalation of a single breath.

As you can see from above, there is an extremely low threshold for smelling H2S. In addition, oil rigs are required to have Scott Air Packs, wind socks and other safety gear to deal with H2S should a pocket be encountered during drilling. So what provisions are there to protect neighbors and livestock if they encounter an H2S pocket when drilling? As you can tell from the Price Canyon operations, it is essentially impossible to control H2S odors, even after drilling operations are completed, as various vents will provide atmospheric releases large enough to detect. One of our largest sources of income in this county is from tourism, and tourists do not come to this county to see and smell oil operations like Price Canyon.

4) Noise/Light/Traffic - This is a very quiet and pristine valley. People have moved there and live there to get away from cities (lights, noise, and traffic). It is one of the very few places in the county where you can still do that. And yet this project would bring all three elements to this valley. The EIR did not even mention lights, but the drill rigs will be well lit at night to provide for 24 hour operations in a safe manner, and I can assure you that lighting will be visible in the valley. Also, the drill sites may be located in a canyon, but with the rig height, you will certainly hear the rig noise reverberating through the valley. This will be especially acute when they are round-tripping the drill string - as each section of pipe is removed to the finger boards on the

derrick. What options do our neighbors have when they cannot sleep at night with their windows open because of the noise – is Excelsar going to buy them air conditioners and pay to run them? What about all the noise that will be experienced when they are reworking the wells?

5) Property Values – I do not know if the EIR is required to assess depreciation in property values, but in my mind, this may be one of the largest of the environmental impacts. If Husana Valley is turned from a pristine agricultural valley into the type of oil production operation you see in Price Canyon, you will most certainly see a loss of property value. I think this loss will easily and quickly result in a reduction in property taxes that will outstrip any financial gains the county will see from this oil development. Already, we are seeing homeowners in the valley that cannot sell their properties – even if they find buyers, the properties are falling out of escrow simply because they have to disclose the “possibility” of an oil production development. How does the county think this will unfold if the wells are drilled and produced? Is the county and Excelsar ready to reimburse residents for their lost property values? I have recommended that these individuals join together in a lawsuit against the developer (and possibly the county) for losses already incurred. I would expect this may even qualify for class action status if this issue is not addressed and mitigated and the permit is granted. Does Excelsar have the right to exercise its property rights at the expense of other property owners and their rights? I do not think so, but a judge would probably have to decide if this goes through.

6) Number of Wells – As we all have heard in the public meetings, Excelsar is claiming they will drill only 12 wells. They claim this would be the limit they could develop with the two sites and the proposed production technology (hot water) they will use. At the same time they are out there buying up mineral rights for large portions of the valley. They are also claiming that they will not be able to produce directional wells with the hot water technology they are proposing to use, but what prevents them from using steam extraction in the future? I do not think they would need to revise their conditional use permit to do directional drilling OR to switch to steam enhanced extraction practices, correct? Has the county adequately investigated this issue to satisfy themselves that this is not the ultimate intent?

7) Fracking – Excelsar claims they will not have to use fracking techniques to produce these wells, since they will be drilled in loose rock formations. I find this hard to believe for many reasons. First of all, as stated previously, they will not know what formations actually exist (or how to produce them) until they drill the wells. As they drill, the geologist will log the formations based upon the cutting returns he is getting with the mud. At various intervals, they may call in a well logging firm to record where they are getting intrusions of water, gas, oil, etc. At the time they choose to complete the well, the well will be cased (to seal off water and non-producing zones) and then perforated in the production zones to allow for oil flow. With the expected viscosity of this oil, it is doubtful this formation would suddenly flow at high production rates. Often the formation is pinged with drilling fluids (they are designed to do this to prevent loss of return) during the drilling process and once the well is cased, it is often fracked to clear the immediate area surrounding the bore. In addition, as a well is flowed, sediments, rock chips and other solids will eventually plug the well, making it impossible to economically produce it. That is when they call in a rig to rework the wells. That does not entail sending a scrub brush down hole to clean the inside of the casing! In some cases they may have to re-perforate the formation. In some cases they may choose to fracture the formation again to reopen the nearby passageways and enlarge the area from which they can draw oil. This is a decision that will be made strictly on the basis of economics (from Excelsar’s viewpoint) after you have granted the permit, since there will likely be no absolute restrictions in the permit that bans the use of fracking or any solid enforcement provisions to hold them to such a condition. And since they will have not requirements to report if they eventually decide to use this practice, how will the county know it is not being done, whenever and however they choose to do so? What protections do the residents have against the possible total loss of water for drinking and agriculture from one mistake with this procedure? It has happened before, it will happen again. Let’s not be the next case in the news.

8) Reworking Wells – In my opinion, the EIR drastically understates the level of effort that will be expended to rework the wells. It fairly well ignores the amount of equipment that will likely be needed (well rig and components, crews, generators, welders, grinders, pipe, cranes and other supplies) to rework these wells. These events will be much more complicated given the type of oil being extracted and since they require hot water extraction techniques. The produced water they will heat for reinjection will be corrosive (from low pH and the H2S) and loaded with organics and Total Dissolved Solids (TDS) – largely minerals from the formation. This mixture causes extreme scaling and corrosion issues for the boilers, heat exchangers, piping, valves, etc. and all of this equipment has to be serviced on a regular basis. Take a drive up to San Ardo and look around. This is the type of equipment you can expect to see to produce these wells. Notice how much of it is disassembled, inoperable, and abandoned. This will not be like reworking a water well or even your average oil well, where you bring a rig in and rework it in two days. These projects will likely take weeks or longer, with traffic, lights, noise, odor and fire issues. Where is this adequately covered in the EIR??

In closing, I would like to add that Exccelaron is a company that cannot, and should not, be trusted to tell the truth on anything related to this permit application. Their goal is to develop these wells to extract the oil they paid for when they purchased these mineral rights. This is necessary to recoup the significant costs they have already incurred and to satisfy the financial goals of the company and its shareholders. This is why they tried to first obtain a permit without an EIR – and they would have succeeded if the residents had not stood up to them. They shielded us all from the fact that they obtained some of these mineral rights from the very developer who abandoned improperly completed wells, sites and equipment here before, and the fact that he is now part of the newly formed company. When the residents of this valley stood up to Exccelaron by actually doing our due diligence and uncovering all of these facts, Exccelaron withdrew their permit and regrouped. And now we are in a similar position, with Exccelaron appealing the Planning Commission decision. Exccelaron is even claiming credit for getting the old wells properly capped and sites cleaned when it was actually the residents that went to the state and appealed for DOGGR to clean up the mess left behind by Exccelaron's previous owners. How ethical is that? So what happens if they drill these wells and find them to once again be uneconomical? Can't they just walk away again and leave the residents, this county and the state to deal with the mess? Can we (should we) really trust them on this, and why should we? Is this really the kind of company you would trust to develop such a production facility here and operate it as a good corporate citizen? Are they exhibiting the kinds of behavior you would want to see in one of your own neighbors?

For all of these reasons, and likely many more of which we are not aware, I strongly urge you to listen to the valid concerns your residents and the citizens of this county are bringing to you. We are not experts on oil or drilling operations, but we are doing our best to educate ourselves so that we can protect ourselves. I urge you to do the same – this is a beautiful place to live and raise our children, our livestock and our crops. Let's not squander our common future for a pocket full of coins.

Respectfully,



Kent D. Zammitt
3880 Santa Domingo Road

Cc: Huasna Valley Association - [redacted]

Excelaron

To: SLO County Planning Commission

My name is Bruce Gibson, a 64 year resident of rural SLO county. As a citizen of SLO county interested in seeing the proper enforcement of public duty under CEQA, I would like to register my objection to the Excelaron / Mankins project.

The EIR has left too many impacts with no credible, substantial evidence in the record to support many of the conclusions of the EIR. The EIR is not complete. There are 44 deferred plans and studies suggested as mitigations to significant impacts! Not acceptable!

Once the county grants the CUP, DOGGR will take over jurisdiction to allow tracking, horizontal drilling, and the use of hazardous materials to the well. The county will no longer have authority on the project.

The fire plan is totally unacceptable! My residence is required to have almost one half of that amount of water, with a super low fire danger.

Fresh water use, "local Groundwater", was never fully defined. Private local residents could sell water to Excelaron, and this would affect the Huasna ground water basin. This would not be under control of the county. Groundwater monitoring would only tell the tale after it is too late! The Excelaron/Mankin project will have a potential impact to groundwater that is unmitigatable and should be a Class I impact!

The Porter Ranch Road access has only undergone visual inspections and has not undergone inspection with a geologic engineer with experience in soil science. With the reputation of the Huasna mud, I would think this would have been one of the first requirements.

The use of Huasna Road was poorly discussed with regards to "applicant contracted", "applicant controlled", "project-contracted", and "all project traffic except pick-up trucks and small vehicles". The fact is if the traffic is street legal, the county or cities can not stop them from using public roads!

The EIR properly identifies odors as a Class I impact to air quality. It refers only to upset conditions and fails to account for fugitive leaks. According to APCD, aging oilfield equipment and fugitive leaks are responsible for the constant smell of hydrogen sulfide and methane gas at Price Canyon.

Dust control over a ten-year life of the project would use so much water that Excelaron failed to show evidence of an adequate water supply, so impacts from Dust CANNOT be mitigated!

Noise levels in the Huasna Valley are in the low 20's on the decibel scale. The Excelaron project is considered a significant Class I impact under CEQA, despite what the county ordinance may say. Totally unacceptable!

ITEM #20
MEETING DATE: May 15, 2012
PRESENTED BY: Supervisor Paul Teixeira
RECEIVED PRIOR TO MEETING
POSTED ON: May 9, 2012

805-481-7115

Bruce Gibson
5970 Deer Creek Road
Arroyo Grande, CA 93420

Many of the mitigation measures for the project involve studies or plans to be completed in the future! How could this project be evaluated with so many aspects being ignored or left out?

Excelaron has not been forth right with the county of SLO or with the residents of Huasna Valley from the onset!

I would respectfully ask our Planning Department to PLEASE protect our right to breathe clean air, drink clean water, and have NO noise pollution, which are all class I impacts according to the EIR. The only reasonable conclusion I can see is a "NO PROJECT ALTERNATIVE!"