

These documents were
presented by Excelaron
representatives at the meeting
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Huasna Presentation

May 15th, 2012

San Luis Obispo County
Board of Supervisors

Dr. Arthur Halleran

Alternative for Pad #2

- Max 1 well drilled on Pad 2 for Phase 1 (< 2 weeks vs 8 weeks). Reduce visual impact
- Max 2 additional wells drilled on Pad 2 for Phase IV (<4 weeks vs 8 weeks). Reduce visual impact
- Workover rigs 15 days vs 40 days.
- Move wells farthest SE as possible on Pad 2 to reduce visual impact
- Restrict drilling between 7 am to 9 pm (MTWTF) and 8 am to 5 pm (SS). Now this construction noise is exempt.

Class 1 Situation with new Pad 2 proposal

- ~~Aesthetics & Visual Resources – Pad #2 (drilling)~~ Gone or greatly reduced
- ~~Land Use & Recreation – Pad #2 (drilling)~~
- ~~Noise & Vibration – Pad #2 (drilling)~~
- Biological Resources – Potential Tanker Truck Spill
- Air Quality & Greenhouse Gases – Facility Upset and H₂S gas release.

Truck Spill Biological Impact

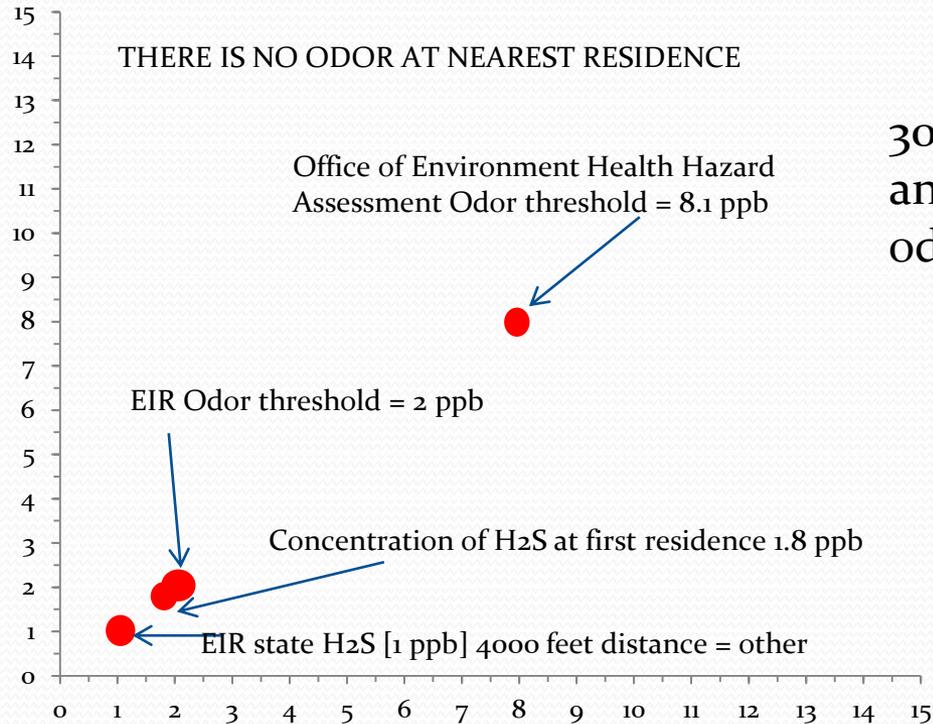
Staff Findings

- 1b ii) Introduction of oil transport along this sensitive biological route and the increased **potential** for accidents/spills, increases **potential** impacts to know species of special concern (CRLF).
- 1c; 1d; 3f (the word **potential** inserted or implanted numerous times).
- What is the **probability** of a Tanker Truck oil spill?

Probability of a Tanker Truck Spill

- data from Appendix E – Risk Assessment
- 1 accident/751,880 miles driven.
- 2.6% of accidents had a spill of their load.
- 1 accident with spill for 28,918,449 miles driven.
- 6 tankers x 10 miles x 350 days = 21,000 miles/year
- **1 accident with spill every 1,377 years**

Odor Only for Facility Upset– EIR Results



30 to 40 ppb is
annoyance
odor level

Odor – EIR Results

- Class 1?? There is no significant odor at closest residence nor at 4000 feet distance, concentration substantially too low.

Low H₂S Concentration in Project

- No H₂S odor from well leaking at surface
- No H₂S odor during well abandonments by DOGGR
- No mention of H₂S odor in any past geological drilling reports or during work
- No H₂S odor from many nature oil seeps in the valley

Facility Upset -

**VAPOUR UNIT AND H₂S SCAVANGER
UNIT MUST FAIL , GO UNDETECTED
AND WELLS CONTINUE TO PRODUCE
INTO TANKS.**

VRU and H₂S Safety

- More than one VRU failure alarm – procedure for well shut down to control H₂S in the tank vapour. So gas in tank has no H₂S.
- H₂S scavenger configuration and tank recycle to ensure sweet gas always recycled into tank.
- Have extra separate backup H₂S scavenger.

THERE IS NO CLASS 1 ODOR.

Fire Hazard

- Commissioner Irving asked “would you say that the conditions that are being placed on Excelaron are proper condition then?”
- Deputy Chief Rick Swan answered “yes sir, that’s our job. Our job is to place what we believe are the conditions using the fire code, using the county code, using NFPA, using public resource code, all those resources available to us to condition a project no matter what kind of project it is, no matter where it is to condition it to ah where we believe that it mitigates our concerns”

Fire Hazard

- Commissioner Topping asked “any differences between a structure fire and a fire that might be related to an oil facility?”
- Deputy Chief Rick Swan “.....the house is probably going to burn down because it’s 30 minutes to get out there. The house is probably going to be umm unsaveable and it’s more than likely that the project that would any type of project out there would be along those same lines. Less, of course, you have in this case you have water, you have foam, you have **360,000 gallons of water**. It provides a four hour zone of protection. We’re going to have stuff there. Now that that piece that is burning could yes be damaged beyond repair but beyond that you’re going to probably be able to mitigate and and to **leave it what we call at the origin of the fire and not spreading into something else.**”

Conclusion Fire Hazard

- Calfire are the Experts and stated at Planning Commissioner's Meeting that there is no issue and that if Excelaron does what Calfire asks there will be no issues.
- **THERE IS NO CLASS 1 FIRE HAZARD**

Conclusions Based on FEIR– and Alternative for Pad #2

- No Class 1 or greatly reduced Aesthetics and Visual Resource Impact
- No Class 1 Land Use and Recreation
- No Class 1 Noise and Vibration
- Probability of Class 1 Biological due to Tanker Truck oil spill is 1 every 1,377 years
- **THERE IS NO CLASS 1 ODOR**
- **THERE IS NO CLASS 1 FIRE HAZARD**

Conclusions Continued

- There is no reason to deny approval for this project
- There is no reason to deny the 100 temporary Union construction jobs and 35 permanent jobs
- There is no reason to deny this project and the benefit it will have for the County of San Luis Obispo