

MINUTE ITEM
This Calendar Item No. 40
was approved as Minute Item
No. 40 by the State Lands
Commission by a vote of 3
to 0 at its 2-25-93
meeting.

CALENDAR ITEM

40

A 35

2/25/93
PRC 3150
W 40654
Gonzalez

S 18

APPROVE ABANDONMENT OF 46 OIL AND GAS
WELLS ON PLATFORM HOPE
STATE OIL AND GAS LEASE PRC 3150
CARPINTERIA OFFSHORE FIELD
SANTA BARBARA COUNTY

LESSEE:

Chevron U.S.A. Inc.
Attn: D. A. Yunker
District Manager
646 Country Square Drive
P. O. Box 6917
Ventura, CA 93006

AREA, TYPE LAND AND LOCATION:

State oil and gas lease PRC 3150 contains 5,553 acres of
tide and submerged land offshore from the Carpinteria area,
Santa Barbara County.

LEASE INFORMATION:

State oil and gas lease PRC 3150 was issued by competitive
bid on July 28, 1964, to Chevron U.S.A. Inc. and Atlantic
Richfield Company, as joint lessees, for a bonus bid of over
\$18,600,000. The subject lease and adjoining State oil and
gas leases PRC 3133 and PRC 4000 have been developed by
wells drilled from Platform Hope and Platform Heidi.
Cumulative production from the leases through June 1992,
when Hope and Heidi were shut-in, has been 34 million
barrels of oil and 33 billion cubic feet of gas. Oil, gas
and water produced from Platform Hope were sent ashore by
pipeline to the Carpinteria onshore facility. Chevron has
advised staff that the end of the economic life of this
reservoir has been reached as developed by wells from
Platform Hope.

PROPOSED PROJECT:

Chevron is proposing to abandon all 46 wells on Platform
Hope using routine equipment located on the platform. After
cement plugs have been set in all 46 wells, the well

conductor casings for 30 wells, exclusive of those within the platform jacket legs, will be cut off 10 feet below the ocean floor and removed. The remaining 16 well conductors within the jacket legs will be removed during a final platform removal project to be submitted for regulatory approval sometime in 1994.

The abandonment of the 46 wells will be performed with a mobile, self-propelled workover rig, cementing unit and associated equipment. A detailed structural analysis of the platform has been completed by Chevron and reviewed by staff, verifying its structural integrity for the proposed abandonment work. Specific conditions have been proposed and agreed to by Chevron regarding the procedures and operations during their one (1) years' abandonment schedule.

Abandonment operations will normally be performed during a 24-hour workday, seven days a week. After rig setup, five to seven working days will be required to abandon each well. The time required to abandon all wells should not exceed one (1) year. Transportation by crew boat of equipment, supplies and personnel should not exceed the current schedule of five runs per day from the Carpinteria Pier.

Chevron's current plans for the abandonment of the Carpinteria Field provide for the abandonment of the wells on Platforms Hope and Heidi during 1993 and 1994 and the to removal of the platform structures during 1995.

AB 884:
05/16/93.

OTHER PERTINENT INFORMATION:

1. The abandonment of the 46 wells from Platform Hope will entail routine well operations using standard equipment located on the platform. The abandonment program for each well is subject to review and approval by the Mineral Resources Management Division (MRMD) of the State Lands Commission as well as the Division of Oil and Gas.
2. All abandonment and operations will be reviewed and approved by State Lands Commission staff. These operations include the oil spill contingency preparations and the stationing and availability of spill clean up equipment and personnel.

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3. Chevron has conducted a engineering study of Platform Heidi, similar in design to Platform Hope, to determine the ability of the platform to sustain the abandonment equipment and operational loading. The analysis indicates that Platform Hope can withstand the loads associated with the abandonment operations and specific conditions have been required to minimize the loads placed on the structure.
4. Chevron and MRMD staff will conduct regular system safety and equipment status inspections of the Platform while it is in a standby status. The inspections will review instrumentation, alarms, emergency shutdown activation, fire suppression and on board spill containment equipment.
5. Well abandonment operations will be extensively monitored and inspected by Mineral Resources Management staff.
6. Pursuant to the State Lands Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA, as a categorically exempt project. The project is exempt under Class 1, 2 Cal. Code Regs. 2905 (a)(1).

Authority: P.R.C 21084, 14 Cal. Code Regs. 15300, and 2 Cal. Code Regs. 2905.
7. This activity involves lands identified as possessing environmental values pursuant to 6370, et seq. This project, as proposed, is consistent with its use classifications.

EXHIBIT:

A. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, 2 CAL. CODE REGS. 2905(A)(1).

CALENDAR ITEM NO. 40 (CONT'D)

2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
3. AUTHORIZE APPROVAL OF THE PROPOSAL BY CHEVRON U.S.A. INC. TO ABANDON ALL WELLS ON PLATFORM HOPE, STATE OIL AND GAS LEASE PRC 3150 IN THE CARPINTERIA OFFSHORE AREA, SANTA BARBARA COUNTY.

Exhibit "A"

PRC 3150

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