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Minerals Management Service

RECORD OF DECISION

Prepared pursuant to Title 40 CFR Part 1505

Following Preparation of
"Union Oil Project/Exxon Project Shamrock and
Central Santa Maria Basin Area Study EIS/EIR"

U.S. Department of the Interior
Minerals Management Service
Pacific Outer Continental Shelf Region
Office of Field Operations

RECORD OF DECISION

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I. INTRODUCTION

This Record of Decision is a Federal document written to inform Federal decision-makers and the public of: 1) the salient points of two proposed Development and Production Plans (DPPs) which were evaluated in an EIS/EIR, entitled "Union Oil Project/Exxon Project Shamrock and Central Santa Maria Basin Area Study EIS/EIR", and 2) the decisions which will made by the MMS concerning the DPPs and how they relate to the EIS/EIR. The two DPPs are: Exxon's DPP for Leases OCS-P 0437, P 0438, P 0440 and P 0441 and Union's DPP for Lease OCS-P 0441.

The Record of Decision is written in accordance with 40 CFR Section 1505.2 of the Council on Environmental Quality (CEQ) regulations which mandates that agencies rendering decisions on projects for which an EIS was completed prepare a concise public record of decision.

Title 40 CFR Section 1505.2 of the CEQ explains that this record shall:

"(a) State what the decision was.

"(b) Identify all alternatives considered by the agency in reaching its decision, specifying the alternative or alternatives which were considered to be environmentally preferable. An agency may discuss preferences among alternatives based on relevant factors including economic and technical considerations and agency statutory missions. An agency shall identify and discuss all such factors including any essential considerations of national policy which were balanced by the agency in making its decision and state how those considerations entered into its decision.

"(c) State whether all practicable means to avoid or minimize environmental harm from the alternative selected have been adopted, and if

not, why they were not. A monitoring and enforcement program shall be adopted and summarized where applicable for any mitigation."

Minerals Management Service, as the lead Federal agency, and County of Santa Barbara, as the lead State agency, in cooperation with the California Secretary of Environmental Affairs, the California Coastal Commission, and the California State Lands Commission, completed the EIS/EIR for the Point Pedernales area in June 1985. The EIS/EIR describes and evaluates (1) Union's and and Exxon's proposed OCS oil and gas development of the Point Pedernales Field located in the offshore southern Santa Maria Basin, off Santa Barbara County, California; (2) the related oil and gas processing facilities proposed at Lompoc, Santa Maria, and Battles; and (3) a future estimate of Santa Maria Basin development.

Exxon's DPP for Leases OCS-P 0437, P 0438, P 0440, and P 0441 includes proposed installation of Platform Independence and a subsea pipeline and power cable to Union's Platform Irene. Exxon's project was initially designated the Shamrock Project. Union's DPP for Lease OCS-P 0441 includes proposed installation of Platform Irene and a system of consolidated offshore and onshore pipelines to carry oil and gas onshore to Lompoc and then northward to Battles and Santa Maria.

Because of the potential for additional development in the Santa Maria Basin area over the next 10 years, the EIS/EIR also includes of an Area Study. The Area Study was designed by the MMS to: 1) provide an evaluation of potential cumulative impacts related to possible oil and gas development in the area, 2) facilitate coordination among all involved permitting and planning agencies, and 3) to provide the public and agency reviewers and decision-makers a perspective on the future development which may occur in the Santa Maria Basin

and the options available for handling this production onshore. The Area Study considered the potential development of up to six platforms (two proposed and four hypothetical).

Other than the specific facilities proposed by the Union and Exxon DPPs, the EIS/EIR's hypothetical additional development and production evaluated in the Area Study do not represent any specific proposed project. Any future Area Study platforms will be subject to a separate National Environmental Policy Act (NEPA) analysis if and when they are actually proposed.

II. PROJECT DESCRIPTION

A. Project Components

The Exxon DPP includes these components:

- one eight-leg, 60-slot drilling and production platform (Platform Independence);
- two subsea pipelines -- one emulsion and one gas -- between Independence and Irene; and
- one subsea power cable between Independence and Irene.

The Union DPP involves the following components:

- one eight-leg, 72-slot drilling and production platform (Platform Irene);
- three subsea consolidated pipelines -- oil, gas and produced water return -- between Irene and the existing onshore Union Lompoc oilfield faclities;
- one power cable between Irene and an electrical substation onshore;
- dehydration system, to be installed at the existing onshore Union Lompoc facilities;
- a dry oil pipeline, to be installed in the existing right-of-way between Lompoc and Orcutt; and
- limited refinery modifications at Union's Santa Maria Refinery, to allow processing of the sulfur and gas components of the oil.

B. Platforms

Both Platforms Irene and Independence will be 8-legged, steel jacketed, bottom-founded platforms. Both platforms will be anchored to the sea floor and to the subsea strata by pilings driven 250 to 300 feet deep. A schematic of platform locations and related pipelines is shown on Figure 1. General platform information for both DPPs is listed on Table 1.

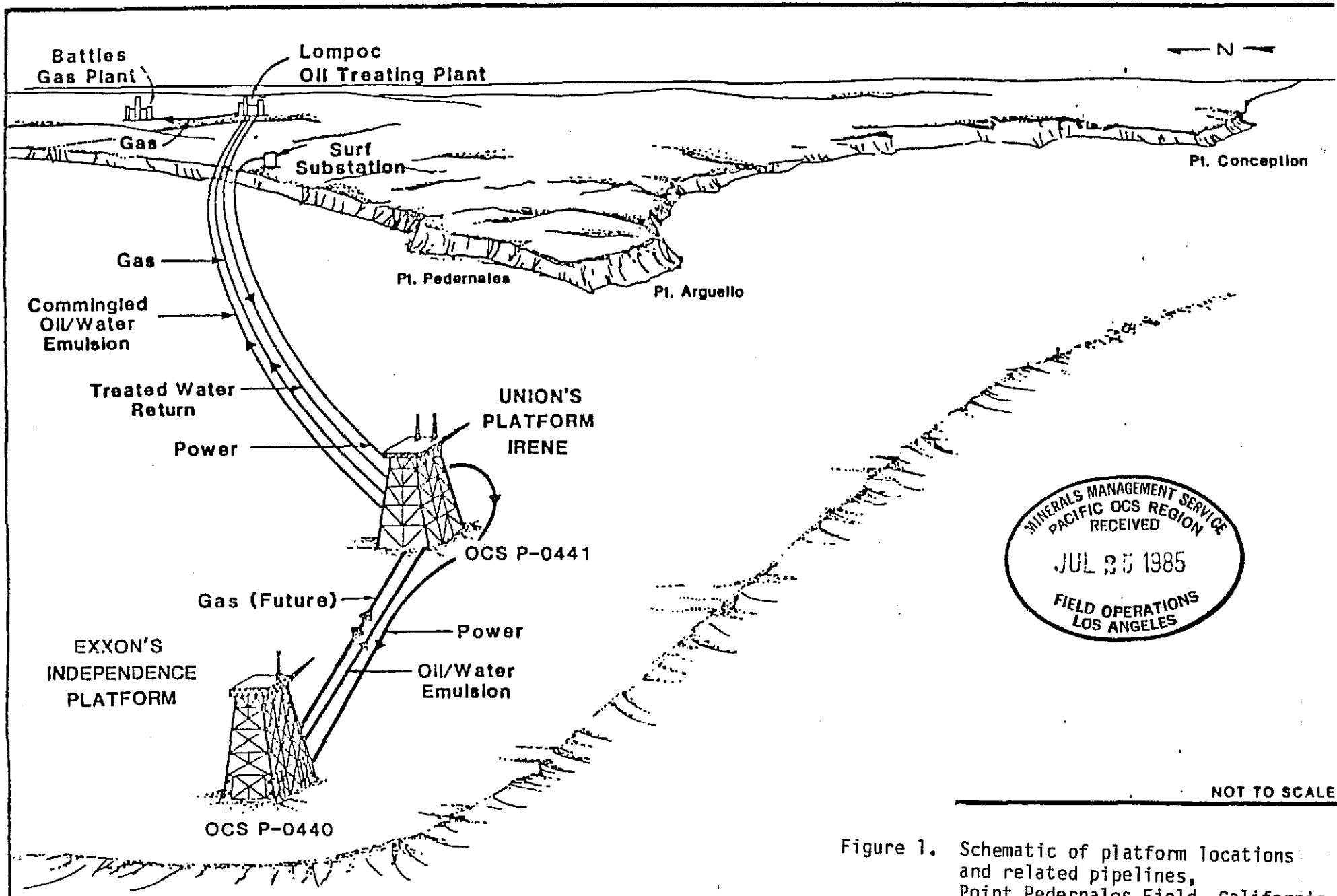

Figure 1. Schematic of platform locations and related pipelines, Point Pedernales Field, California

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Table 1

General Platform Information

Description	Platform Independence	Platform Irene
OCS Lease No.	OCS-P 0440	OCS-P 0441
UTM Zone 10 Coordinates	X = 705,775 m Y = 3,834,225 m	X = 708,200 m Y = 3,831,986 m
Water Depth	277 ft/84 m	242 ft/74 m
Well Slots	60	72
Wells to be Drilled	45	43
Peak Production		
° dry oil (B/D)	20,000 in 1988	15,000 in 1987
° gas (MMSCF/D)	45 in 1995	13 in 1994

The platforms' design, fabrication, construction, installation, inspection and operation will be in conformance with all pertinent rules and regulations of the Pacific OCS Region, and those of MMS and DOI. This will include an independent verification agent, pursuant to Pacific OCS Region Order No. 8. Appropriate American Petroleum Institute (API) standards and other industry standards will also be followed.

The platforms are designed to withstand maximum credible seismic conditions and 100-year storm conditions expected off Point Pedernales, as well as wind and wave conditions which may be experienced during the platforms' transport to the installation site, across any given ocean. Fabrication and construction of the platforms (jackets, decks and components) will take place at marine yards outside the southern California area. Platform jackets will be towed to the installation sites on barges, launched, and anchored to the sea floor with driven pilings. Production and drilling decks and components will then be installed on the jackets. Once all the equipment modules have been installed, each platform will undergo hookup and commissioning prior to beginning the actual drilling activities.

Aids to navigation will consist of quick-flashing, Coast Guard-approved 5-mile white lights and a Coast Guard-approved 2-mile fog horn. Flare booms and all derricks will be illuminated for aviation safety with a combination of steady and flashing red lights. Heliport perimeters will be outlined with lights plus one flashing amber beacon. All marine aids to navigation will meet Coast Guard regulations for Class A structures.

Corrosion of the platforms and their equipment will be controlled by use of corrosion-resistant coatings on all topside structures. Sacrificial anode

systems will be used to prevent corrosion on submerged equipment. Internal coatings to prevent corrosion will be applied to selected piping, vessels and tanks. Corrosion inhibitors will also be used during the lifetime of the platforms.

Crew-based support activities for the platforms will involve transporting personnel via helicopter from Goleta (Santa Barbara Airport) to and from the platforms. This will necessitate approximately four round-trips per day for the two platforms. Supply-based activities for the platforms will involve boat trips originating from Port Hueneme.

C. Drilling

Drilling operations encompass actual drilling, setting and cementing of casing, and installation of production tubing in each well. Drilling activities will be conducted in compliance with Pacific OCS Region Order No. 2 and/or approved Field Drilling Rules, the Environmental Protection Agency's (EPA) NPDES permit requirements for discharge of muds and cuttings, and established industry standards. Each individual production well drilled will have an Application for Permit to Drill (APD) approved by the MMS Santa Maria District Supervisor.

Project drilling operations will encompass a total of approximately 5 to 6 years, at which time the drilling derricks and rigs will be removed.

Major safety components of the drilling operations are: proper mud system design to control well pressure, lubricate the drill pipe and drill bit, and convey cuttings to the derrick floor; use of the blowout preventer (BOP) system, which seals the well in the event of an emergency and prevents oil from escaping into the marine environment; proper casing design; and use of a diverter

system, which would divert the flow of shallow gas in unlikely emergency situations.

In compliance with Pacific Region Order No. 2, a Critical Operations and Curtailment Plan (COCP) for each project has been submitted The COCP identifies and describes those operations likely to be conducted which are critical, and under what circumstances or conditions these same critical operations will be curtailed.

D. Production

Once a development well is drilled and completed, production activities on the platform will begin. Production activities include the producing of reservoir fluids, primary separation of these fluids, processing of produced water, and transfer of fluids into pipelines.

These activities will be conducted in accordance with Pacific OCS Orders, other Federal regulations, and industry standards. MMS will continuously monitor all production activities and ensure compliance with regulations and requirements throughout the life of the project.

Platforms Independence and Irene will contain production facilities consisting of well-bay manifolds; production, test and cleanup separators; oil-handling systems; produced water-handling systems; and gas-handling systems. Figure 2 shows a flow diagram of a representative platform production facility.

Platform utilities will include systems for use of electric power and fuel gas, water desalination, waste water treatment, air compression, cooling of sea water, and chemical injection. Stand-by power on both platforms will be provided by diesel-powered generators. Diesel fuel will be used for power generation during initial platform startup, until fuel gas becomes available

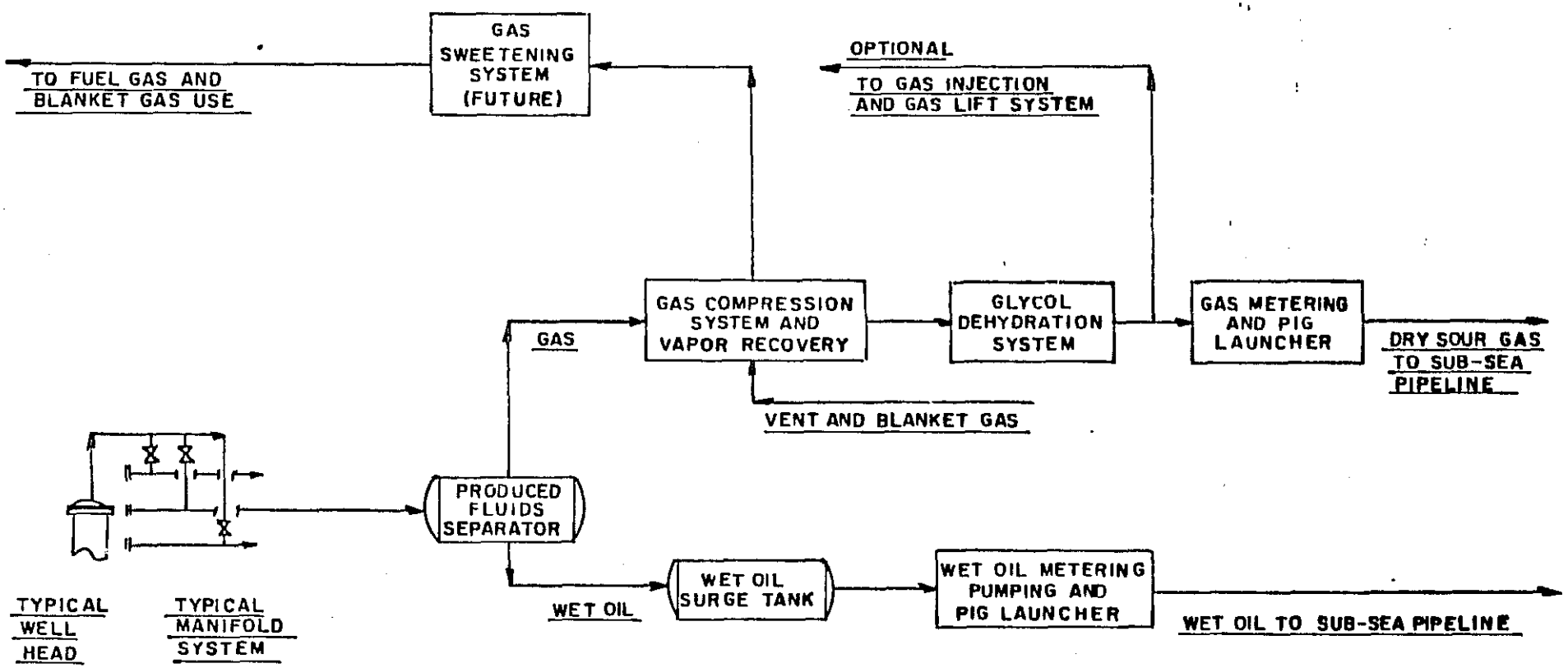

Figure 2

Flow diagram of platform production facility

from production wells, or in emergency situations.

Safety-related components of the production systems on each platform will include control and monitoring systems, surface-controlled subsurface safety valves on wellheads, emergency shut-down valves and other devices, a gas blanketing and vapor recovery system, an emergency flare, and a deck drainage/ sump system.

Platform Independence includes facilities for initial separation of produced fluids into oil/water emulsion and gas phases, a pump for oil shipment to Platform Irene, facilities for compression and dehydration of gas, facilities for reinjection of the gas back into the reservoir or for gas lift, and facilities for pipelining of the gas to Platform Irene for commingling and transport to shore. Utility systems will involve a subsea power cable from Platform Irene; seven diesel engines (three cranes, a standby generator for production, a stand-by generator for drilling, and two firewater pumps); a sea water distillation unit, and a sewage treatment unit.

Wellhead valves and manifolds will enable each well to be routed to production, test, or cleanup separators. A gas-lift manifold with connections to the individual well casing will also be included in the Platform Independence facilities. Gas and emulsion deliveries from Platform Independence will be metered with metering equipment and procedures in accordance with recognized industry practices and specifications. The platform's wet oil metering system will be hooked up to a comparator and leak detection counter on Platform Irene, to ensure early detection of system leaks.

Platform Irene includes facilities for initial separation of produced fluids into oil/water emulsion and gas phases, for water treatment, for compression

and dehydration of the gas, and for pipelining of hydrocarbons to shore. Utility systems will involve a subsea power cable extending from Platform Irene to the onshore local electrical grid system, two 200-kW auxiliary generators at the platform for emergency power, six diesel engines (on two cranes, a logging unit, a cementing unit, and two emergency generators), a sea water-distillation unit, and a sewage treatment unit.

All pressure vessels, surge tanks, and other processing equipment, operating at or near atmospheric pressure, will be connected to a gas blanketing and vapor recovery header system which maintains a slight positive pressure on the system. As gas is released from processed fluids or forced out of vessels and tanks as they are filled, it is compressed by vapor recovery compressors and flows into the gas sales system. As fluids are withdrawn from vessels and tanks, blanket gas is made with sweet gas from the platform fuel gas system. This type of gas blanketing and vapor recovery reduces explosion hazards by eliminating oxygen intake, and eliminates volatile organic compound (VOC) emissions normally associated with atmospheric tanks and vessels, enabling the recovery of fuel that would otherwise be lost.

All vapor safety relief valves vent into a closed flare header system which gathers the emergency releases and routes them through a scrubber to a flare burner.

All decks will be solid plate steel and will have a minimum 6-inch-high curb around the perimeter to prevent any overflow into the ocean. Spray shields will be included where necessary to prevent hydrocarbon spray from entering the ocean.

All drainage from platform decks will go to a water tank where entrained

solids will drop out and free oil will float to the surface. Water from this tank, together with any oil, will then flow into a corrugated plate interceptor where oil will be separated out and returned to a hydrocarbon sump tank. This oil will then be pumped into the emulsion system or into a holding tank. Clean water from the corrugated plate interceptor will be discharged to the ocean through a disposal caisson. All drainage that may contain oil will be piped directly to the hydrocarbon sump tank.

Washed cuttings and oil-free sediments from the waste tank will gravitate to the skim pile for ocean discharge in accordance with NPDES permit conditions.

E. Platform Safety Features

Safety systems are classed as devices and practices that safeguard personnel, the environment and equipment. The systems relate specifically to good design practices, personnel training, and operational and emergency procedures. Safety features that are proposed for the two platforms include:

- fire detection and firefighting systems
- navigation aids
- corrosion control programs
- Hydrogen Sulfide Contingency Plans
- emergency power and lighting systems
- communications facilities
- personnel escape and lifesaving equipment
- Oil Spill Contingency Plans

Reliable fire detection and firefighting water systems will be installed on both platforms. Each will use a combination of electric- and diesel-drive fire water pumps. The firefighting water system includes hose reel stations, monitor nozzles, and deluge systems appropriately located about the platform.

Additional firefighting systems to be installed include fixed fire protection systems for gas turbine generators and portable fire extinguishers strategically located on the platform.

Fire detection systems will make extensive use of smoke and flame detectors to provide early warning in the event of any fire. Push-button fire stations will be located about the platform for use by platform personnel.

Hydrogen sulfide contingency plans for both platforms were developed by Exxon and Union in accordance with Pacific OCS Order 2 and MMS Standard GSS-OCS-1, "Safety Requirements for Drilling Operations in a Hydrogen Sulfide Environment." The H_2S Contingency Plan for each platform is a detailed emergency plan to be followed when encountering geologic formations that may contain H_2S. The platforms will be equipped with self-contained breathing apparatus for all work crews and supervisors. Spare air bottles with refill capability will also be available. Hydrogen sulfide sensors and alarms will be located at the intake for the air ventilation system and in other processing areas where localized concentrations of H_2S can possibly occur. In these areas H_2S sensors will have both visible and audible alarms set to activate when a level of 10 ppm is reached.

Emergency power lighting, communications equipment, hazard detection systems, personnel quarters, controls and minor utility systems will be provided by an uninterruptable, battery power supply system. Battery-powered emergency lighting units will be installed in several areas of the platform to illuminate critical escape routes or facility backstart work areas. Battery chargers and battery systems will be provided for aids to navigation, communications, general alarm systems, generator startings, electrical switchgear control, and control and monitoring systems.

Communications facilities proposed for the platforms involve intra-platform hardwired speakers and handsets, and portable radios for operational communication. For external communications with crew coats, supply boats, helicopters, shore bases, and so forth, there will be a wide-area radio system for both platforms, as well as a microwave system to provide telephone service and circuits for the pipeline leak detection system and onshore emergency shutdown system.

Personnel escape and lifesaving equipment onboard each platform involve Coast Guard-approved escape capsules or lifeboats, plus an adequate number of life preservers, life floats, ring life buoys, first aid kits, litters, and other lifesaving appliances as required by Coast Guard regulation 33 CFR Section 144. The Oil Spill Contingency Plan prepared by Exxon and Union for each platform has been developed to specify appropriate measures that will be taken in the event of an oil spill and to identify personnel and equipment available to implement spill containment and cleanup procedures. Basic procedure for handling an accidental spill is to immediately ensure personnel safety, stop the pollutant flow, initiate containment and cleanup procedures, and contact designated company personnel and government agencies. Equipment and procedures developed for handling of accidental oil spills are state-of-the-art level for spill containment and control.

Initial spill response activity will be conducted by the co-op vessel Mr. Clean III. The primary source of assistance is this industry-sponsored spill containment boat and the cooperative, Clean Seas, Inc.

F. Pipelines

All oil and gas produced from the two platforms will be commingled at Platform Irene by way of an interplatform pipeline from Independence to Irene.

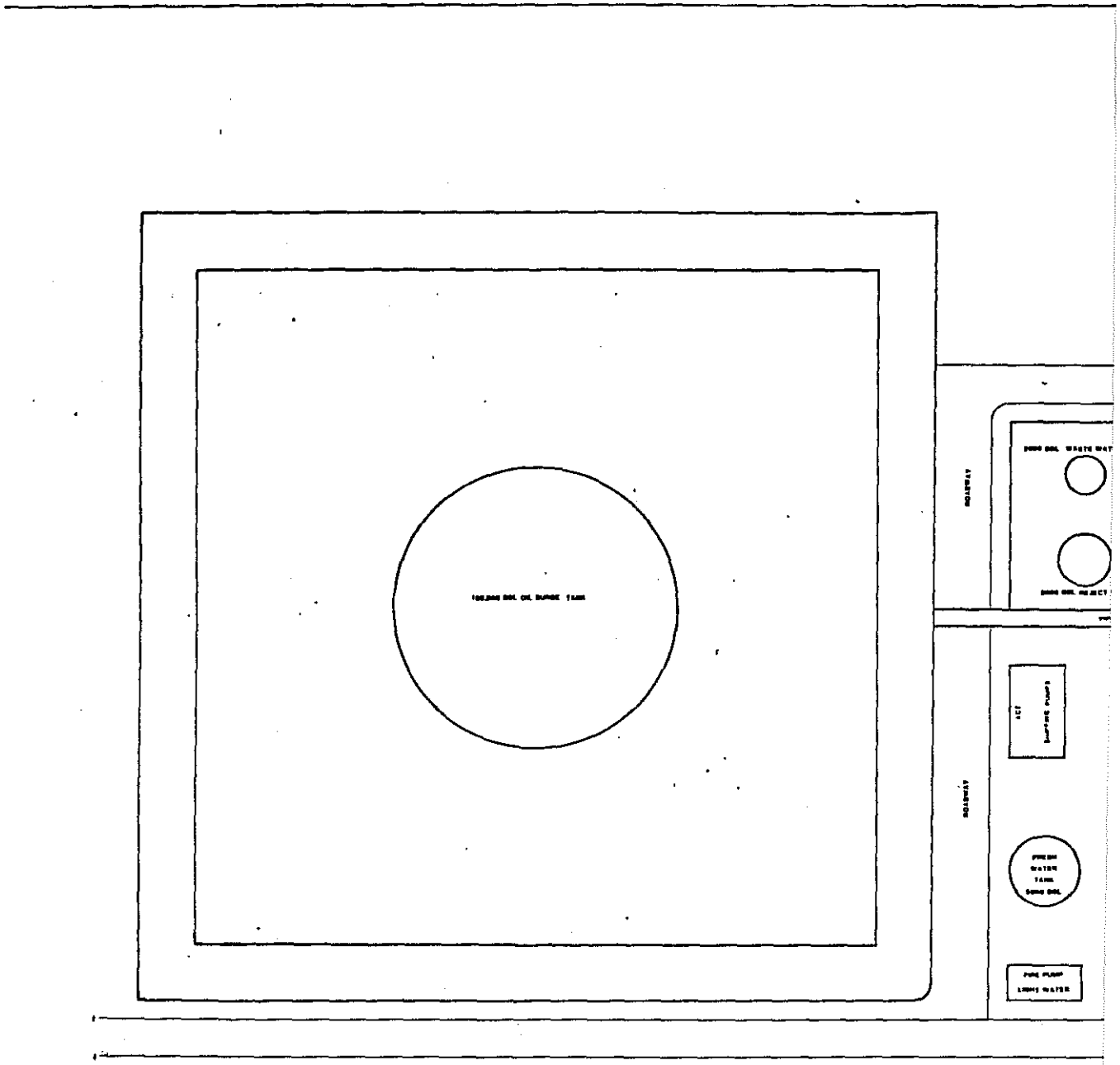

Figure 3. Union Oil Lompoc Dehydration Facility

TABLE 2. Offshore Pipeline Design Specifications, Point Pedernales Field, California

Pipelines	Internal Diameter	Length (mi/km)	Design Throughput	Operating Pressure
Independence to Irene	10" (emulsion) 6" (gas)	2.5 mi/4 km	35,000 BPD emulsion 60 MMSCFD gas	1500 psig
Irene to Landfall	16" (emulsion) 8" (gas) 8" (produced water return)	9.2 mi/14.7 km	100,000 BPD emulsion 40 MMSCFD gas 30,000 BPD produced water	2160 psig

The products will then be shipped onshore through a consolidated subsea pipeline from Irene to landfall and then to Union's processing facility at Lompoc (Figure 3). The pipeline system will be designed and fabricated in accordance with all applicable Federal, API, ANSI, ASME and ASTM standards and specifications. Table 2 details design data for the pipeline.

The entire pipeline will be protected from external corrosion by polyethylene protective coating augmented with cathodic protection, in the form of sacrificial anodes.

Irene's three subsea pipelines will be installed using the pull barge method. Three lengths of pre-coated pipe will be pulled off a barge (anchored outside the surf zone) and into the water toward the platform. The three sections will be joined together by divers using spool pieces. Buoys will be attached to the pipeline bundle to minimize drag. Each weld will be X-rayed; if the weld is acceptable, joint material will be applied to ensure homogeneous coating. The pipeline bundle will be laid in the designated right-of-way (200 feet wide) using precision navigation systems.

The pipeline bundle will terminate 30 to 50 feet from the preinstalled pipeline risers on Platform Irene. Divers will set spools using a template to connect the pipelines to the risers.

Pipeline laying operations through the nearshore and surf zone will be accomplished again by the pull barge, with the concrete-coated pipelines being tied into the onshore pipeline system. Once the pipelines are in their intended permanent location, they will be water-flooded for stabilization and their marker buoys released. The pipelines will be buried through the surf zone (shore to 4,000 feet offshore) by divers using hand-held air jets. This

will bury the lines to a depth of 3 to 6 feet.

After the offshore pipelaying operations are completed, a side scan sonar survey will be conducted to verify that the pipeline was not damaged, that it is positioned properly on the ocean floor, and that the ocean floor has not been significantly altered by the operation.

After the offshore pipelines have been installed, the power cable to the platform will be laid in the same right-of-way for most of the route. At 4,000 feet from shore, the cable will depart from the pipeline route and go due east to a landfall at Surf.

Every subsea pipeline will have an automatic block valve on each platform in accordance with the Pacific OCS Order No. 9. Each line will have a remotely operated block valve at the landfall. In addition, the onshore oil line will have three remotely-controlled block valves and three check valves located between landfall and Oak Canyon. These lines will also be equipped with relief valves located at the Lompoc facility to prevent overpressuring from expansion of static liquid or excessive pump pressure.

Upon completion of pipeline installation each individual line will be hydrotested with water to a prescribed pressure. This pressure will be maintained for 24 hours in order to test the integrity of the lines. The hydrotest will meet or exceed all applicable codes or regulations governing the project.

Throughout the lifetime of the pipelines, corrosion inhibitors, pipeline pigs and instrumented pigs will be used to ensure that the pipelines remain free of potentially troublesome deposits. Corrosion products will require pigging the gasline. The oil pipeline will be pigged weekly. The pipelines will be inspected at least once a week by air surveillance for small oil leaks; a yearly

side scan sonar survey will provide hard-copy external inspection of the pipeline.

The leak detection and metering system will monitor the volume of oil entering the pipelines at the two platforms with the deliveries onshore. If a volume difference is detected, an alarm will sound and the pipeline system will automatically shut down. The system will have an accuracy of approximately 0.01 percent of the throughput. The system will be temperature compensated.

G. Oil and Gas Processing Facility

The proposed Lompoc Dehydration Facility will be located within the Lompoc Oil Field on a 99-acre parcel of land. Approximately 22 acres will be rezoned for this facility, though Union currently plans to develop only 13 acres for this facility. The land is part of more than 9,000 contiguous acres which Union owns.

The proposed Lompoc Dehydration Facility's primary function will be to receive the wet oil from Platform Irene and to dehydrate the oil to 3 percent or less water. During this dehydration process any dissolved gas in the crude oil will be removed so that the crude oil will be acceptable as a feedstock to the Santa Maria Refinery.

Gas production from Platform Irene will also be received at the Lompoc Facility, scrubbed to remove any hydrocarbon condensate, and then reintroduced into the Lompoc-to-Battles Gas Plant pipeline along with any excess gas recovered from the crude oil.

The Lompoc Dehydration Facility will be designed to incorporate a recovered natural gas system, a flash gas system, vapor recovery systems, blanket gas system, control systems for pressure vessels, a produced water treatment

system, and a caustic scrubber system for H_2S.

The oil recovered at the Lompoc Dehydration Facility will be pipelined to the Santa Maria Refinery. Very few solids are expected to be produced from the Monterey Formation-derived oil. Tank cleaning will occur at 5-year or longer intervals. Tank bottom sediments are expected to amount to 200 barrels per year. These deposits will be collected and disposed of at an approved dump site.

Crude oil produced from the Point Pedernales Field is expected to have a gravity of approximately 16 degrees API and a relatively high viscosity. The oil will be sent to the Santa Maria Refinery which will handle up to an additional 20,000 BPD of dry oil.

The products pipelined out of the Lompoc Dehydration Facility will include:

- Treated produced water (to be returned to Platform Irene for offshore discharge).
- Dehydrated, condensate free gas (to be piped to Union's Battles facility).
- Pipeline-quality oil (to be pipelined to Union's Santa Maria Refinery).

III. PROJECT ALTERNATIVES AND THEIR EVALUATION

Title 40 CFR Section 1505.2(b) requires that, in cases where an EIS has been prepared, the Record of Decision (ROD) identifies all alternatives that were considered, and must "specify the alternative or alternatives which were considered to be environmentally preferable." The "environmentally preferable alternative" is the alternative that will promote the national environmental policy as expressed in NEPA's Section 101. Ordinarily, this means the alternative that causes the least damage to the biological and physical environment; it also means the alternative which protects, perserves and enhances historic, cultural and natural resources. The "agency's preferred alternative" is the alternative which the agency believes would fulfill its statutory mission and responsibilities, giving consideration to economic, environmental, technical and other factors.

Extensive consideration was given to various project alternatives during the MMS review of the proposed Point Pedernales Field DPPs. Project alternatives were initially evaluated as part of the NEPA process (Section 1502.14) and CEQA process (Section 15126(d)) during the writing of the EIS/EIR. Environmental and operational advantages and disadvantages were evaluated for each proposed alternative in terms of project benefits and adequacy. The "environmentally preferable alternative" and the "agency's preferred alternative" are identified as the "proposed action."

Major project alternatives which were evaluated during the review of this project included:

1. The proposed action.
2. No project alternative.
3. Union onshore and offshore pipeline and power cable alternative

routes.

4. Exxon offshore pipeline alternative route (Independence to Hermosa).
5. Union onshore dehydration alternative site location.

1. The Proposed Action.

Evaluation:

Potentially significant impacts due to the proposed action were identified in the areas of air quality, marine water resources, marine biology, aesthetic resources and commercial fishing. The EIS/EIR thoroughly analyzed these impacts; several mitigation measures were identified which could reduce or avoid each impact. These potential impacts and their mitigation measures are described in detail in Chapter IV.

MMS Action:

Adopt with mitigations specified in Chapter IV.

Discussion:

Approval of the "proposed action" with mitigation would cause the least damage to the biological and physical environment, while still providing for prompt and efficient development of OCS oil and gas resources. Since all potentially significant impacts can be mitigated to insignificance, the "proposed action" has been determined to be environmentally acceptable, and therefore the environmentally preferred alternative. The "agency's preferred alternative" is the alternative which the agency believes would fulfill its statutory mission and responsibilities, giving consideration to economic, environmental, technical and other factors. Based on the analysis contained in the EIS/EIR for the Union and Exxon projects, the MMS has identified the "proposed action" with the mitigations specified in

this Record of Decision, as our "agency's preferred alternative."

2. No Project Alternative

Evaluation:

This alternative removes the proposed development of Platforms Irene and Independence and their associated facilities from consideration while assuming the continuation of presently permitted activities of operators in the Santa Maria Basin. Although eliminating all the potential impacts associated with the proposed action, impacts within the area could still result from existing oil and gas operations and from other OCS exploration and development projects, potential State Tidelands developments, and activities resulting from future OCS Lease Sales in the area.

Changes to the physical, biological and socioeconomic resources over the next 25 to 30 years without the proposed action due to future OCS development and production could still occur.

Selection of the no project alternative could cause the United States continued dependence upon imported oil and gas. Adverse environmental impacts could result from continued and possibly increased production of other domestic resources (i.e., coal, uranium, geothermal) in order to supplement existing energy sources.

Several adverse or beneficial impacts associated with this alternative may occur: existing environmental conditions within the project area would be maintained; potential adverse impacts associated with the proposed development would not occur; beneficial employment would be prevented; beneficial economic impacts to public utilities, to local, state and Federal agency general funds, and to private industries would be prevented;

California energy policies would not be furthered; Federal energy policies would not be furthered; federal trade deficit would increase; national security would be compromised because of greater dependency on foreign energy sources; petroleum prices would be increased for consumers; and frequency of foreign oil tankering would be increased and would therefore increase the potential for oil pollution.

MMS Action:

No action.

Discussion:

Although this alternative, by definition, does not impose any significant physical or biological impacts on the environment, it was not identified as the "environmentally preferred alternative" since it does not fullfill the direction provided in Section 101 of the NEPA which directs agencies to " . . . use all practical means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs and resources to the end that the Nation may . . . attain the widest range of beneficial uses of the environment . . . and . . . approach the maximum attainable recycling of depletable resources . . . ."

Selection of this alternative would also not be in keeping with MMS's statutory mandate under the OCS Lands Act of 1953 and the OCSLA Amendments of 1978 which promulgate the expeditious leasing and development of mineral resources on the OCS. The EIS/EIR has concluded that, with mitigation, all potential environmental impacts of the "proposed action" can be mitigated to insignificance. The no project alternative is therefore rejected as unjustified.

3. Union Onshore and Offshore Pipeline and Power Cable Alternative Routes.

Evaluation:

Analysis of alternative Union onshore and offshore pipeline routes concluded that the alternative routes, considering mitigation, were not environmentally preferable to the proposed route, with mitigation. Because the selection of the Union landfall north or south of the Santa Ynez River posed different potential impacts, both onshore and offshore impacts were discussed jointly. Some of the adverse and beneficial potential impacts of this alternative include: onshore segments of the pipeline alternative alignment are subject, in localized areas, to erosion and gully advance past the pipeline, with the possibility of slope failures; some onshore segments of the pipeline alternative alignments may introduce potential additional constraints on pipeline design due to crossing of the Lompoc terrace and descent to the river plain in the vicinity of a number of old landslides; onshore pipelines alternative alignments cross an exposure of Quaternary terrace deposits between Santa Lucia Canyon and Highway 1; and increased likelihood for potential impacts on paleontological resources for the route.

One of the main disadvantages of the alternate route is that a crossing of the Santa Ynez River would be required. Depending on the method selected for crossing the river and depending on construction-related sedimentation, the following could result. Additional scour could occur due to high water exerting lateral forces directly on the pipe if the pipe was trenched. Increased impacts to terrestial biology could result if a drilled crossing was utilized. For all alternate onshore pipeline routes, potential impacts were predicted to be locally significant at several identified drainages

due to estimated average annual sediment losses exceeding 20 percent.

Potential impacts on groundwater by an oil spill caused by pipeline rupture on the alternative route could be significant, greater than for the preferred route, due to the area having a shallow water table, which is used in this area for irrigation and for community supply well fields. Potential impacts could be locally significant, with both short-term and long-term effects. A pipeline rupture at the southern Union pipeline route's crossing of the Santa Ynez River approximately 10 km upstream from the ocean could cause significant impacts to the estuary and to onshore water resources. A worst-case onshore spill of up to 20,000 barrels is estimated to be possible.

Alternative offshore route for the power cable could increase the resuspended sediments by 14 percent during trenching operations for cable burials. This could create adverse but insignificant impacts. Increased construction impacts on subtidal rocky "reef" habitats could occur with the alternative southern route.

There is an increased likelihood of the need for blasting with resulting (marine biology impacts) because of proximity of rock to the beach surface and presence of a subtidal "reef" near the alternative landfall. Selection of the alternative would decrease the threat of potential impacts to the least tern breeding site near Santa Ynez River mouth because of increased distance between pipeline construction operations and the breeding site. An additional drainage crossing at a biologically sensitive area could cause more potential adverse impacts. In addition, the loss of 135 acres of vegetation and wildlife habitats, 72 percent of which is made up of native types, could cause regionally significant impacts.

This alternative could also cause increased adverse socioeconomic impacts to the Mission Hills residential community, Artesia School, and Maple School due to temporary noise impacts.

MMS Action:

No action.

Discussion:

Selection of this alternative was rejected due to the increased levels of potential impacts identified relative to the proposed action.

4. Exxon Offshore Pipeline Alternative Route

Evaluation:

Potentially significant impacts identified with this alternative include: potentially significant potential geohazard constraints due to liquefaction or other soil failure; local and potentially regionally significant

impacts to approximately 20 hard bottom features from the construction-related crushing and/or displacement of benthic organsims and substrates with long recovery times along the route; increased risk of oil spills estimated at seven times greater than the proposed route due to the longer pipeline distance. The likelihood of a given spill reaching San Miguel Island is estimated to be 1.5 to 2 times greater with this alternative; potentially significant air quality impacts could occur to onshore ozone levels in the Santa Ynez Valley resulting in regionally significant impacts to vegetation as well; and larger trawl fishing areas could be preempted by construction activities with this alternative, resulting in short-term significant impacts.

MMS Action:

No action.

Discussion:

Selection of this alternative could produce higher potentially significant impacts than the proposed action. The major sources of increased potential impacts are the longer pipeline route (impacts to marine biology) and necessary platform equipment changes (impacts to onshore air quality). In addition to being environmentally not preferable, this alternative may not be the best economically, considering that the Point Pedernales Field will be operated under a unit agreement.

5. Union Oil Onshore Dehydration Alternative Site Location

Evaluation:

Alternative site locations for this facility are thoroughly evaluated in the EIS/EIR and in Santa Barbara County's staff report. The primary alternative site discussed was Site #8. Site #8 was identified as the best alternative to the proposed Site #4 for the following reasons: it is a previously disturbed area; it has low potential of archaeology, flora, and fauna conflicts; it has minimal grading requirements; it has room for facility expansion for consolidation; it provides access to existing Lompoc-to-Orcutt pipeline right-of-way; it has access to existing public road; and it has access to existing power and water service.

The EIS/EIR determined the proposed site #4 as the overall environmentally preferred site. Site #8 was determined to be environmentally acceptable.

MMS Action:

No Action.

Discussion:

Although considered in detail in the EIS/EIR, selection of the site for Union processing facility is not a MMS decision. Tha appropriate site will be selected by the Santa Barbara County Board of Supervisors.

IV. STATEMENT OF DECISION

A. Implementation of Mitigation

Based on the analysis contained in the EIS/EIR for the Union and Exxon DPPs, the MMS has identified the proposed action with the foregoing mitigations in this ROD as the environmentally preferred alternative, and the agency's preferable alternative as well.

In issuing this Record of Decision, the MMS believes that all practicable means to avoid or minimize environmental impacts from the alternative selected have been adopted. Mitigation measures determined to be inappropriate are addressed below, along with those appropriate measures which have been adopted.

The MMS considers its rules and regulations for OCS oil and gas activities to be a vital part of all operations proposed and conducted on the OCS. OCS lease agreements have many stipulations attached which already serve to minimize potentially adverse environmental impacts. Many mitigation measures which will be identified in the following discussions are in fact already a part of established regulations, and so are repetitious. In the interests of positive action for the MMS to respond to these issues, we are adopting many mitigation measures which already are a part of MMS regulations.

Over the 20-year-plus lifetime of the Point Pedernales Field Development, MMS will be reviewing, inspecting and monitoring all operations. The MMS will require Union and Exxon to incorporate state-of-the-art modifications in to their operations as updated equipment and techniques become available over the lifetime of the projects. The MMS would expect Union and Exxon themselves to also propose such modifications of operations.

Every future modification required by MMS and every future modification proposed

by Union or Exxon and approved by MMS would necessarily provide environmental protection at a level equal to or better than that of the mitigation measures included in this Record of Decision.

B. Project-Related Impacts and Mitigation - Union OCS-P 0441 DPP

GEOLOGY

No significant offshore impacts identified; no mitigation necessary above that provided by MMS's current regulations and requirements.

AIR QUALITY

Impact No. 1

Exceedances of Federal ozone standard in Santa Ynez Valley possible due to emissions from Platform Irene.

Mitigation Identified

° Option A: Replace one diesel crane with electric crane and replace proposed diesel cement pumps with electric/diesel pumps. Use of diesel side of Platform Irene is to be confined to emergency situations; avoid testing of emergency standby generators during flaring episodes at Platform Irene or when a supply boat is idling in the proximity of the platform.

° Option B: Replace proposed diesel cement pumps with electric/diesel pumps. Use of diesel side to be confined to emergency situations, and avoid testing of emergency standby generators during flaring episodes at Platform Irene or when a supply boat is idling in its proximity. Allow Only one idling supply boat in the proximity of Platform Irene during development or production.

MMS Action

Adopt Option A.

Discussion

Union will be required to replace one proposed diesel crane with an electric crane on Platform Irene. Union will be required to replace the proposed diesel cementing unit with electric/diesel cementing unit. Use of diesel power is to be confined to emergency situations. Such use will be logged at the platform and reviewed by visiting MMS inspectors. Union will be required to avoid testing of emergency generators during flaring episodes or when a supply boat is in the proximity of Platform Irene. Such use will be logged at the platform and those logs reviewed by MMS inspectors.

MARINE WATER RESOURCES

Impact No. 2

Alteration of sediment texture and chemistry (for example, increased barium, decreased dissolved oxygen) is possible around platforms from discharge of drill cuttings. Extent and degree of impacts are uncertain.

Mitigation Identified

Institute monitoring program for impacts; if necessary, barge cuttings for onshore disposal. Could shunt discharge at higher point (nearer sea level) for greater dispersion.

MMS Action

Adopt as discussed.

Discussion

MMS has committed to funding a rigorous, long-term monitoring program

that will monitor platform discharges (i.e., drilling muds and cuttings), collect and analyze sediment samples, and determine impacts on biological communities. This program, which was initiated in FY 84 and is continuing in FY 85, is conducted under the auspices of the MMS Studies Program. This is a long-term program which will monitor impacts from platform discharges at several locations in the Santa Maria Basin, including sites on or near both soft and hard bottom substrates. Specific sites to be monitored have not been determined as yet since the procurement for this aspect of the program is competitive, and a contractor has not yet been selected. Both Platform Irene and Independence sites are candidates for the monitoring effort. MMS believes the results from this program can be extrapolated to platform sites elsewhere in the Santa Maria Basin. If elevated levels of pollutants are found in the sediments or animal tissues subsequent to commencement of drilling, MMS will consult with recognized experts to determine the significance of these levels. If these levels are determined to be unacceptable, MMS will take corrective action which may include barging the discharges to another site, or restricting discharge mode or components.

Union's and Exxon's compliance with the discharge and monitoring requirements of the NPDES permits will ensure that all discharged materials will have a minimal adverse environmental impact and will not cause unreasonable degradation of the marine environment.

Impact No. 3

Alteration of sediment texture and chemistry (for example, increased barium and chromium) in radius of several kilometers around platforms from discharge of drill muds. Extent and degree of impacts are uncertain.

Mitigation Identified

Institute monitoring program for impacts; if necessary barge muds for onshore or deep water disposal. Could discharge at greater height for more dispersion. Restrict use of problematic/toxic additives (for example, emulsion breakers and biocides).

MMS Action

Adopt.

Discussion

See discussion for Impact No. 2 above.

Impact No. 4

Alteration of sediment chemistry (for example, increased zinc, iron, arsenic, chromium, hydrocarbons) in radius of several kilometers around platforms from discharge of formation water. Extent and degree of impacts are uncertain.

Mitigation Identified

Institute monitoring program for impacts; if necessary, could treat (for example, via activated sludge) formation water at Lompoc prior to discharge or reinject into subsurface formation. Could discharge at greater height for more dispersion.

MMS Action

Adopt.

Discussion

See discussion for Impact No. 2, above. The analyses presented in the EIS/EIR, and available published information on the ecological effects of

produced water discharges, do not support the need for the identified mitigation. Impacts to the benthic environment due to produced water discharges are not expected to be significant since the discharge plume will be buoyant, dispersion of the plume should occur rapidly, and the discharge will be regulated under an NPDES permit. The MMS will review results of the MMS Monitoring Program to determine the potential significance of produced water discharges.

MARINE BIOLOGY

Impact No. 5

Damage to local benthos and fish due to discharge deposition near platforms.

Mitigation Identified

Pre-operational survey of sublethal pathology in benthic organisms, continue during operations; as necessary further restrict discharge mode, mud components, disposal sites.

MMS Action

No action at this time.

Discussion

The MMS believes that a commitment to surveys of sublethal pathology in benthic organisms is premature and not fully supported by existing information. The MMS will review results of its long-term monitoring program to determine if predicted levels of pollutants in sediments or animal tissues are in fact observed and support the need for additional work (i.e., sublethal pathological monitoring). This determination will be made in consultation with recognized experts.

Impact No. 6

Loss of habitat upon removal of platforms.

Mitigation Identified

Create or maintain similar habitats.

MMS Action

No action at this time.

Discussion

MMS regulations currently require operators to remove the platform and clear the site unless MMS determines other action is more appropriate. Since abandonment procedures would not be considered for 20 to 25 years, no action is deemed appropriate at this time. It must be recognized that MMS must act in accordance with the applicable rules and regulations in existence at that time. MMS anticipates that when abandonment procedures are being considered, MMS will consult with state and local agencies and commercial fishing interests to determine if removal is appropriate at this location.

AESTHETIC RESOURCES

Impact No. 7

Direct impact from offshore platforms on ocean views due to platforms southwest of Ocean Beach area.

Mitigation Identified

Paint platforms a light blue-gray.

Action

No action.

Discussion

After reviewing comments and upon advice from the U.S. Coast Guard, MMS has determined that the platforms should be painted white rather than the light blue-gray proposed due to navigational safety reasons. White is also preferable to orange or yellow when considering visual impacts. MMS believes that the mitigation identified cannot be fully adopted due to overriding safety considerations.

C. Accident-Related Impacts and Mitigation - Union OCS-P 0441 DPP

MARINE WATER QUALITY

Impact No. 8

Surface oil slicks, tar balls, contamination of sediment and other adverse water quality changes (lowering of dissolved oxygen, addition of potentially toxic chemicals, decrease in light transmittance) due to unlikely major oil spill.

Mitigation Identified

Rapid and efficient spill cleanup.

MMS Action

Adopt.

Discussion

Current MMS regulations require Union and Exxon to submit Oil Spill Contingency Plans (OSCPs) as part of their respective DPPs for review and approval prior to the commencement of any field operations. These submitted OSCPs are undergoing a thorough review by the MMS. During this review, the MMS consults with other agencies and the operators to ensure that the plans contain the information and response strategies necessary to efficiently respond to an unlikely oil spill. Plans determined to be

deficient in either response strategy or cleanup capability must be modified and reevaluated before approval will be granted. In addition, MMS regulations require that Union's and Exxon's OSCPs be reviewed annually and updated as necessary to ensure that the response strategies and equipment utilized remain state-of-the-art.

The MMS fully recognizes the intent of the mitigation identified above, and considers it to be consistent with MMS goals. Decisions with respect to each of the mitigation measures identified above will be reached as our OSCP review process progresses. The MMS will continue to provide direction to lessees in order to achieve the best feasible response to an oil spill.

MARINE BIOLOGY

Impact No. 9

Mortality and disturbance of seabirds and/or mammals due to unlikely major oil spill and cleanup activities.

Mitigation Identified

Achieve adequate response time at key locations; selective use of dispersants for oil.

MMS Action

Adopt.

Discussion

Current MMS rules and regulations already provide the identified mitigation. The appropriate response to an oil spill involves implementing state-ofthe-art techniques that will have the least adverse impact on the environment. Mechanical cleanup methods are the most desireable.

Chemical agents, however, may be the only alternative if weather and sea conditions make mechanical cleanup inefficient (for example, if a sensitive shoreline or species is threatened).

The use of chemical dispersants is controlled by Federal regulations and requires case-by-case approval. Chemical dispersants may not be applied to an oil spill unless approval has been obtained from the Federal On-Scene Coordinator (OSC). Under the provisions of Subpart H of the National Contingency Plan, the OSC, with the concurrence of the Environmental Production Agency (EPA) representative to the Regional Response Team (RRT) and in consultation with the State of California, may authorize the use of dispersants and other chemicals that are on EPA's list of approved dispersants. As of July 1985, only one dispersant (Corexit 9527) is approved for use in California. If the oil has moved into or threatens State waters, concurrence of both the EPA representative and the State of California representative on the RRT is required. If the appropriate dispersant to be used for that type of spilled oil is not included on the California list of approved dispersants, the OSC, in conjunction with the EPA representative on the RRT, must consult with the EPA Administrator or his/her designee before authorizing its use on a case-by-case basis (40 CFR Section 300.81, 47 FR 31180, July 16, 1982).

Impact No. 10

Damage to subtidal ecology due to unlikely major oil spill.

Mitigation Identified

Avoid use of chemical dispersants unless absolutely necessary.

MMS Action

Adopt.

Discussion

Use of chemical dispersants is carefully controlled by Federal regulations and requires case-by-case approval. Chemical dispersants cannot be applied to an oil spill until approval has been obtained from the Federal OSC.

Appropriateness of use of a chemical dispersant in a given situation, such as an oil spill threatening a nearshore environment, will be carefully evaluated by the RRT. The RRT will call upon scientific specialists for counsel and advice. The potential benefits of applying the dispersant will be carefully weighed against many aspects, such as:

- sensitivity of the subtidal ecologic system;
- oceanographic conditions;
- type of spilled oil involved;
- any other pertinent environmental factors.

The RRT's decision process is structured so that approval of dispersant use is given only when such use is absolutely necessary.

TERRESTRIAL BIOLOGY

Impact No. 11

An unlikely offshore oil spill reaches the coastline. Adverse impacts may occur to vegetation, wildlife and aquatic habitats and biota, including ten or more rare species.

Mitigation Identified

Develop site-specific cleanup and containment plans (i.e., use of temporary barriers to protect Santa Ynez River estuary).

MMS Action

Adopt.

Discussion

Several methods of containing oil spills and protecting sensitive areas are presented in Union's Oil Spill Contingency Plans (OSCP). In addition, the "Clean Seas, Inc." co-op has an OSCP, which identifies methods for protecting sensitive areas such as shoreline diversion booming, shoreline exclusion booming, and boom deployment with shore attachment. Any or all of these methods would be employed in the event of an oil spill threatening the Santa Ynez River. The MMS agrees that a section should be added to the Clean Seas OSCP, in order to provide an analysis of how the river mouth could be protected in the event of an oil spill. MMS will require Union to instruct Clean Seas, Inc. to modify its OSCP accordingly.

COMMERCIAL FISHING

Impact No. 12

Preemption of harvest in any of various productive fishing grounds by unlikely major oil spill.

Mitigation Identified

Minimize oil spill response time at key locations, avoid use of chemical dispersants, compensate affected parties for lost revenue.

MMS Action

Adopt.

Discussion

Discussions concerning oil spill response and use of dispersants are the same as for Impact Number 9 above. Compensation of persons injured by an oil spill are spelled out in Title III of the OCS Lands Act Amendments of 1978. Under Title III, claims are made against an owner, operator or

guarantor of an OCS facility causing the spill or against an Offshore Oil Pollution Compensation Fund to be administered by the Secretary of Transportation. This fund provides compensation for any person suffering direct or actual injury caused by the discharge of oil from an offshore facility or vessel. Where such owners and operators cannot be identified as responsible for an oil spill, or are unable to provide adequate compensation, the Offshore Oil Pollution Compensation Fund may be used to provide such compensation.

Claims for economic losses that arise out of, or directly resulting from, oil pollution incidents may generally be asserted against an owner, operator or guarantor, or against the fund by any claimant for damages and removal costs. A U.S. claimant (who owns or leases property so damaged or who utilizes a natural resource involved) may file for injury to or destruction of real or personal property, loss of use of real or personal property, and loss of use of natural resources.

Upon payment of compensation for economic loss compensable under Title III the fund becomes subrogated to all rights, claims, and causes of action of the claimant.

MMS will expeditiously process any claims against the Fund which are submitted to MMS.

AESTHETIC RESOURCES

Impact No. 13

Direct impact on scenic quality, particularly of beach areas, due to unlikely major oil spill.

Mitigation Identified

Measures recommended to prevent or contain oil spills such as additional instrumentation and installation of additional valves.

MMS Action

Adopt.

Discussion

The MMS will require Union to install pig launcher/receiver mechanical interlocks and appropriate instrumentation on Platform Irene to reduce the potential of a spill occurring. The MMS will require Union to train platform personnel on correct operating procedures and instrumentation monitoring.

MARINE BIOLOGY

Impact No. 14

Damage to marine mammal(s) due to unlikely collision with support vessels.

Mitigation Identified

Reporting requirements, restrictions of vessel movements.

MMS Action

Adopt.

Discussion

The MMS-approved Sale 53 fisheries and wildlife training program, which will be given to all offshore personnel associated with the Point Pedernales DPPs, is designed to familiarize personnel with the types of marine mammals which may be present in the area, with potential sources of impact from oil and gas activities, and with avoidance procedures. The MMS will

require Union to adhere to established vessel traffic corridors, which are a part of a voluntary compliance program monitored by the oil and gas industry and commercial fishing industry. This program also minimizes conflict with marine mammals since it restricts vessel traffic in near-shore waters.

The Endangered Species Consultations and the resultant Biological Opinions from National Marine Fisheries Service and U.S. Fish and Wildlife Service address damage to marine mammals by collisions with vessels as "incidental take". Refer to these Opinions and the discussions in these documents for other requirements designed to minimize damage to marine mammals from this type of accident.

COMMERCIAL FISHING

Impact No. 15

Damage to commercial fishing gear and/or vessels due to collision with and/or hangup on oil and gas crewboats, pipelines or debris.

Mitigation Identified

In addition to MMS requirements, ensure timely full compensation for losses.

MMS Action

Adopt.

Discussion

To reduce the potential for damage to fishing gear and/or vessels from this type of accident:

(a) The MMS-approved Sale 53 fisheries and wildllife training program will be given to all personnel associated with this project. This program familiarizes personnel with fishing activities, potential sources

of conflict, and avoidance procedures.

(b) MMS will require a smooth pipeline design to be used by Union. MMS will also require Union to conduct an annual external video survey of the line so that MMS may monitor the integrity of the line and ensure that it is maintained in a manner that does not obstruct fishing activities.

(c) MMS will monitor installation procedures and will require Union to comply with its Operations Curtailment Plan (which describes weather conditions under which Union would curtail installation activities) to ensure the pipelines are installed properly and to reduce the likelihood of impact from anchor scarring of the sea floor.

(d) In accordance with OCS Orders, MMS will require Union to mark all equipment which could present a hazard to fishing if lost overboard so that ownership may be verified in the event of conflict. Union will also be required to either remove debris accidentally lost overboard or demonstrate that the debris does not pose a hazard to fishing (i.e., is buried). If it should subsequently be identified as a hazard, Union is liable for any damages and would be required to remove it. If Union is physically unable to remove the equipment, the coordinates will be given to the U.S. Coast Guard and Fisheries Liaison Office.

(e) MMS will require Union to contribute to the Fishemen's Contingency Fund. This fund reimburses fishermen for damaged or lost gear when no responsible party can be identified.

(f) Should the MMS be notified of incidents of gear damage or conflict

by fishermen, other agencies or operators, MMS will notify the proper parties and will participate as necessary to ensure the conflict is resolved in a timely manner.

SYSTEM SAFETY AND RELIABILITY

Impact No. 16

Accidents which have the potential to cause environmental impacts and public hazards: Release of oil or produced water due to mechanical defects.

Mitigation Identified

Installation of additional instrumentation (oil-in-water analyzers).

MMS Action

No action.

Discussion

After reviewing the available options MMS has concluded that oil-in-water analyzers will not be appropriate for the Point Pedernales Field platforms. The analyzers have a record of poor performance when used in a similar type of application. Inquiries indicated that the analyzers consistently gave anomalously high oil-in-water readings because of water turbidity, color, air bubbles, and other parameters that cause reflection or refraction of the light used in the instrument. The high frequency of "false alarms" that are predicted make the instrument ineffective for this particular application. In compliance with the NPDES permit requirements, any violations by Union of permit requirements will result in written warnings, an MMS order to shut-in, and/or civil penalties.

The MMS is currently consulting with EPA on existing monitoring procedures

and the likely implementation of testing/monitoring techniques that will verify compliance with applicable NPDES requirements. The MMS has determined that the most effective way to ensure compliance is through the use of its inspection and enforcement program.

Impact No. 17

Accidents which have the potential to cause environmental impacts and public hazards: pig receiver/launcher spill of pipelined oil.

Mitigation Identified

Improve instrumentation/control.

MMS Action

Adopt.

Discussion

The MMS will require Union to install mechanical interlocks and appropriate instrumentation on the proposed platform to reduce the potential of a pig launcher/receiver-related oil spill. The MMS will require Union to train platform personnel on correct operating procedures and instrumentation monitoring. The MMS will require Union to test each pig launcher/receiver on a monthly basis. The MMS will at least annually inspect and functiontest, with assistance from Union, each pig launcher/receiver and its related equipment and instrumentation to ensure satisfactory performance.

Impact No. 18

Accidents which have the potential to cause environmental impacts and public hazards: subsea pipeline break or large leak.

Mitigation Identified

Install subsea block valves.

MMS Action

No action.

Discussion

MMS has thoroughly considered requiring the installation of subsea block valves during its review of the Point Pedernales Field pipeline system.

MMS has concluded that subsea valves will not be required for the proposed offshore portion of the pipeline system after weighing the following related impacts and conclusions.

- The valves would increase the potential for a leak occurrence.
- The valve housing would add to the potential for fishing net and gear fouling.
- The potential benefits that the valves provide in the event of a pipeline leak will in many portions of the pipeline be a redundancy of the protection that is provided naturally due to the sea floor contours that the pipeline will traverse.

The MMS maintains that proper design is the best deterrence to pipeline leaks. The Point Pedernales Field pipeline system has been designed to meet or exceed all applicable MMS requirements. The pipeline installation will be closely monitored to ensure that the field practices employed do not result in any detriment to the integrity of the pipeline.

To minimize the potential volume of an oil spill resulting from a pipeline leak, the MMS is requiring Union, as operator of the consolidated pipeline,

to design, install, and maintain a pipeline leak detection system that provides the maximum sensitivity and reliability that is feasibly possible. The system of leak detection that will be used consists of three different leak detection methods:

1. Over-short accounting, to detect very small leaks by continuously integrating the difference between system-wide inflow and outflow.
2. Volumetric balance with line pack correction, to detect small to moderate leaks by reconciling inflow and outflow against inventory changes system wide.
3. Pressure profiling, to detect larger leaks by monitoring pressure changes along the lines system wide, and additional pressure profiling on the laterals to detect smaller leaks.

This system will allow for the early detection of an unlikely pipeline leak or break. If a leak is detected, Union will initiate its pre-planned response to minimize the volume of the spill while simultaneously activating containment and cleanup procedures.

D. Project-related Impacts and Mitigation - Exxon OCS-P 0437, P 0438, P 0440, and P 0441 DPP

GEOLOGY

No significant impacts identified, no mitigation required beyond MMS's current regulations.

AIR QUALITY

Impact No. 1

Exceedances of Federal ozone standards in Santa Ynez due to emissions from

Platform Independence.

Mitigation Measures

° Option A. Replace two (2) diesel cranes with electric cranes, and avoid testing of emergency standby generators during flaring episodes at either platform or when a supply boat is idling in the proximity of Platform Independence.

or

° Option B. Avoid testing of emergency standby generators during flaring episodes at either platform or when a supply boat is idling in the proximity of either platform. Exxon will have only one idling supply boat in the proximity of Platform Independence during development or production.

MMS Action

Adopt Option A.

Discussion

The MMS will require Exxon to replace two proposed diesel cranes with electric cranes on Platform Independence. The MMS will require Exxon to avoid testing of emergency generators during flaring episodes or when a supply boat is idling in the proximity of Platform Independence.

MARINE WATER RESOURCES

Impact No. 2: Union OCS-P 0441, mitigation identified for Impact No. 2 applies; adopt.

Impact No. 3: Union OCS-P 0441, mitigation identified for Impact No. 3 applies; adopt.

Impact No. 4: Union OCS-P 0441, mitigation identified for Impact No. 4 applies; adopt.

MARINE BIOLOGY

Impact No. 5: Union OCS-P 0441, mitigation identified for Impact No. 5 applies; no action.

Impact No. 6: Union OCS-P 0441, mitigation identified for Impact No. 6 applies; no action at this time.

COMMERCIAL FISHING

Impact No. 7

Preemption of harvest in productive rockfish and sole tow area by construction of Platform Independence.

Mitigation Identified

Minimize extent of offshore construction southwest of site; establish notification procedures and preferred schedule with Fisheries Liaison Office; prevent, locate, and remove construction scars.

MMS Action

Adopt.

Discussion

The MMS will meet with the Fisheries Liaison Office and Exxon to establish a preferred schedule for installation. The MMS will require Exxon to develop and submit an anchoring plan for platform installation and associated vessel anchoring that will minimize construction activities near the submarine canyon head southwest of the proposed platform site. Once a schedule and anchoring plan is established and approved by MMS, Exxon will

be required to notify potentially affected fishermen through the Fisheries Liaison Office. MMS will require Exxon to conduct a post-installation side scan sonar survey in the vicinity of the submarine canyon head to locate debris or anchor scars that could interfere with commercial trawlers. If significant debris or bottom scarring is detected, Exxon will be required to remove the debris, and to smooth (as feasible) any anchor scars.

AESTHETIC RESOURCES

Impact No. 8: Union OCS-P 0441, mitigation identified for Impact No. 7 applies; no action.

E. Accident-related Impacts and Mitigation - Exxon OCS-P 0347, P 0348, P 0440, and P 0441 DPP

Impact No. 9: Union OCS-P 0441, mitigation identified for Impact No. 8 applies; adopt.

Impact No. 10: Union OCS-P 0441, mitigation identified for Impact No. 9 applies; adopt.

Impact No. 11: Union OCS-P 0441, mitigation identified for Impact No. 10 applies; adopt.

Impact No. 12: Union OCS-P 0441, mitigation identified for Impact No. 11 applies; adopt.

Impact No. 13: Union OCS-P 0441, mitigation identified for Impact No. 12 applies; adopt.

Impact No. 14: Union OCS-P 0441, mitigation identified for Impact No. 13 applies; adopt.

Impact No. 15: Union OCS-P 0441, mitigation identified for Impact No. 14 applies; adopt.

Impact No. 16: Union OCS-P 0441, mitigation identified for Impact No. 15 applies, adopt.

Impact No. 17: Union OCS-P 0441, mitigation identified for Impact No. 16 applies; no action.

Impact No. 18: Union OCS-P 0441, mitigation identified for Impact No. 17 applies; adopt.

Impact No. 19: Union OCS-P 0441, mitigation identified for Impact No. 18 applies, no action.

The MMS will have a continuing responsibility for reviewing, inspecting, and monitoring all operations in the development of the Point Pedernales Field. During the 20-year-plus lifetime, Exxon and Union will submit modifications to their approved projects. Every proposed modification approved by MMS will provide environmental and safety protection at a level equal to or better than that of the mitigation measures included in this Record of Decision.

V. SUMMARY OF EIS/EIR AREA STUDY

The Central Santa Maria Basin EIS/EIR involved an Area Study designed by the MMS to 1) provide an evaluation of potential cumulative impacts related to possible oil and gas development in the area, 2) facilitate coordination among all involved permitting and planning agencies, and 3) to provide the public, agency reviewers, and decision-makers a perspective on the future development which may occur in the Santa Maria Basin and the options available for handling this production onshore.

The six-platform scenario evaluated in the EIS/EIR identified potentially significant impacts for the areas of geology, air quality, marine water resources, marine biology, aesthetic resources, and commercial fishing. Several potential mitigation measures were described which could reduce and/or eliminate these potential impact. The MMS's decision to mitigate potential impacts of the two proposed projects (Platforms Irene and Independence) has been stated in the preceding pages. Decisions to implement mitigations identified for Area Study platforms will be made if and when the platforms are actually proposed. At that time the MMS will reexamine the mitigation measures identified in the EIS/EIR and determine their appropriateness on a case-by-case basis as a method to avoid potentially significant impacts. If the identified mitigations are determined to be inappropriate, the MMS will conduct additional analysis of mitigation mesaures specific to the proposed project as part of the NEPA review process.

Consultation under Section 7 of the Endangered Species Act of 1973 (ESA), as amended, was formally conducted with the National Marine Fisheries Service (NMFS) and U. S. Fish and Wildlife Service (USFWS) for the Area Study. Due to potentially related onshore impacts the consultations were conducted as a

joint effort with the Vandenberg Air Force Base (VAFB).

Formal consultation with NMFS considered potential impacts to the following threatened and endangered species: gray whale, right whale, blue whale, fin whale, sei whale, humpback whale, sperm whale, green sea turtle, leatherback sea turtle, Pacific Ridley sea turtle, and loggerhead sea turtle. As with the USFWS, an informal consultation was conducted for candidate and proposed species. No jeopardy Opinion was issued by NMFS.

Formal consultation with USFWS considered potential impacts to the following threatened or endangered species: southern sea otter, California brown pelican, American peregrine falcon, light-footed clapper rail, California least tern, unarmored threespine stickleback, saltmarsh bird's beak, California condor, and the bald eagle. Candidate species were considered separately in an informal consultation. A jeopardy Opinion was issued by the USFWS for the California least tern and the unarmored threespine stickleback. Reasonable and prudent alternatives to remove jeopardy are discussed in the following pages.

The resulting Biological Opinions from the USFWS and NMFS apply to both Union's Platform Irene and Exxon's Platform Independence, as well as any future platforms within the Area Study.

A. Biological Opinion From National Marine Fisheries Service (NMFS)

a. NMFS Recommendation:

MMS utilize studies program for research and development of improved oil spill containment equipment.

MMS Response:

This recommendation will be forwarded to the MMS OCS Technology Assessment

and Research Program whose responsibility encompasses this area of research. This research program has already funded some studies in the area of oil spill cleanup and containment.

b. NMFS Recommendation:

MMS initiates discussion with the NMFS concerning the cumulative impact to endangered and threatened species associated with the development and production activities proposed for the entire central and southern California region.

MMS Response:

MMS will engage NMFS in discussions on the possibilities of developing an interagency agreement to possibly fund a long-term gray whale study. This potentially may prove useful to both agencies in monitoring the gray whale population in and outside of areas undergoing OCS oil and gas exploration, development and production activities.

B. Biological Opinion From U. S. Fish and Wildlife Service (USFWS)

a. USFWS reasonable and prudent alternatives to remove jeopardy to the unarmored threespine stickleback.

1. Four remotely-controlled block valves should be placed in the Lompoc to Orcutt pipeline. The locations of these block valves are as follows: one valve approximately 500 feet south of San Antonio Creek; a second valve approximately 300 feet north of San Antonio Creek; and a third valve approximately 1,000 feet north of Drainage Number 26 as shown in Figure 5.6.2 in draft EIS/EIR (Union Oil Strip Map 17C 105 Mile Post 420).

2. Realign the pipeline, where it crosses San Antonio Creek east

approximately 200 to 300 feet away from portions of the Harris Creek drainage as illustrated in the [EIS/EIR's] Figure 7.

3. Bury the pipeline across all San Antonio Creek drainages. Work should only be performed between August 15 and November 1. If dewatering is necessary, removed water will be filtered through a sediment trap before return.
4. An independent cathodic protection rectifier system should be installed between the first and fourth block valve.
5. Heavier wall pipe (.375-inch wall thickness) should be used between the first and fourth block valve.
6. The pipeline will be buried a minimum of 5 feet below flow line across all perennial and intermittent stream crossings in San Antonio Creek Basin. An annual survey and report will be provided to Vandenberg Air Force Base (VAFB) to verify the depth of the pipe relative to the flow line of each stream.
7. Seventy millimeter thick coating of polypropylene material should be used on the pipeline from the first to second block valve.
8. The communication cable on the Lompoc to Orcutt pipeline route between Mile Posts 123 and 465 (Union Oil Strip Map 17c) shall be buried from 1.5 to 2.0 feet directly above the 10-inch line.
9. A contingency plan for rescuing and holding unarmored threespine sticklebacks and rehabilitating habitat in San Antonio Creek in the event of an oil spill is to be completed in a form acceptable to VAFB and the USFWS prior to initiating pipeline construction in San Antonio Creek Basin.
10. As identified in the contingency plan, materials required to confine

an oil spill and to conduct a fish rescue operation in San Antonio Creek are acquired by Union and stored at a designated site in Orcutt for use in the event of an oil spill.

MMS Response:

We agree with these reasonable and prudent alternatives. However, the MMS has no authority to require or to enforce these conditions. The responsible Federal agency is the Army Corps of Engineers. MMS staff has been in close coordination with staff of the Corps throughout this consultation. Corps staff have advised MMS and USFWS that they will require the above stipulations designed to remove jeopardy to the unarmored threespine sticklebacks as conditions of their approval for the pipeline construction. MMS has forwarded a copy of the Service's request for a commitment to these condition to the Corps. A letter from Union committing to all of these alternatives (above) is attached to this Record of Decision.

b. USFWS reasonable and prudent alternatives to remove jeopardy to the California least tern

1. Three remotely-controlled block valves and three check valves are to be placed between landfall and Oak Canyon as shown in the [EIS/EIR's] Figure 8.
2. Realign the pipeline route near landfall between the railroad track and 35th Street as shown in [the EIS/EIR's] Figure 8.
3. A network of berms and containment basins large enough to contain the total potential spill volume as presented in Table 10.1-2 of the EIS/EIR under the column of Required Basin Volume (bbl).
4. Berms and containment basins should be revegetated with native plant species and a maintenance and revegetation plan for the berms, basins

and dikes prepared by Union and approved by VAFB, USFWS, and California Department of Fish and Game (CDFG) prior to pipeline construction.

5. Install H_2S wiring and telemetry at the two most western block valve sites, Valve station A, and at one additional site midway between the railroad and 35th Street. Sour gas sensors will be installed when H_2S concentrations reach 50 grams per 100 standard cubic feet, in the line.

MMS Response:

We agree with the reasonable and prudent alternatives. However, as mentioned above, MMS has no authority to condition onshore segments of this pipeline. The responsible Federal agency is VAFB. Our staff has been working closely with VAFB throughout the joint consultation for this project. We have been advised by VAFB staff that all of the stipulations to remove jeopardy and minimize incidental take will be conditions of Union's pipeline right-of-way approval. MMS has forwarded the USFWS request for a commitment to these alternatives to VAFB. A letter from Union committing to all of these alternatives (above) is attached to this Record of Decision.

c. USFWS reasonable and prudent measures to minimize indicidental take

1. MMS should require that existing oil spill contingency plans be designed to assure protection of the most sensitive/critical individuals and habitats (e.g., nesting sites, foraging areas, etc.) of listed species vulnerable to the proposed project. To this end, MMS should require as a minimum, a) maps of environmentally sensitive areas including endangered species habitat be included in all spill contingency plans, and b) USFWS and CDFG be notified immediately in the event of a spill from platforms or pipelines.

MMS Response:

MMS has given USFWS copies of the Oil Spill Contingency Plans (OSCPs) for this area of review. These plans already do provide maps of environmentally sensitive areas, including endangered species habitat. Review of OSCPs is an ongoing process over the life of the project. MMS requires that an approved OSCP be on file prior to commencing operations and that all OSCPs be reviewed and updated annually thereafter. MMS is in the process of reviewing the OSCPs for these DPPs in light of the mitigations identified for this project. USFWS will be given another opportunity to review and comment on any changes to the OSCP.

The Oil Spill Contingency Plans provide logistical details of how USFWS and CDFG will be notified in the event of a spill.

2. Efforts should be made to rescue and hold unarmored threespine stickleback (UTS) during pipeline construction across San Antonio Creek. If possible, a barrier should be installed immediately upstream of the construction site to prevent movement of fish into the construction zone. A preconstruction effort to collect UTS from the work site and temporarily hold them for later release should be coordinated with local CDFG personnel.

MMS Response:

As previously discussed, the authority to require and enforce mitigation onshore rests with the Corps of Engineers and/or VAFB. Since this particular mitigation involves the Corps' 404 permit, it has been forwarded to the Corps for action.

d. USFWS terms and conditions to minimize incidental take

1. If specified levels of incidental take for any listed species are achieved

or exceeded, MMS shall require that the causative action of such take cease immediately, and shall reinitiate consultation with USFWS to reevaluate the incidental take impacts.

MMS Response:

The MMS will comply with the above terms and conditions by notifying USFWS of project-related incidents which result in the incidental taking of species considered in this Opinion, and will document the event as specified.

2. MMS shall immediately telephone the Office of Sea Otter Coordination if incidental take of Southern Sea Otters (SSO) occurs as a result of the project, and prepare a written report which shall include the date, location and circumstances surrounding the taking and disposition of the individual(s) taken. Written and telephone reports should be directed to Project Leader, U.S. Fish and Wildlife Service, Office of Sea Otter Coordination, 2800 Cottage Way, Room E-1818, Sacramento, California 95825 (916) 484-4904.

MMS Response:

The MMS will comply with the above terms and conditions as discussed above.

3. MMS shall communicate to USFWS information on the inspection program and project operations, as they relate to incidental take. Specifically, if information is revealed during inspections that increased potential for incidental take exists, USFWS is to be notified for advice on remedial actions.

MMS Response:

The MMS and USFWS have initiated such a program designed to encourage good

communications and working relations between the agencies and to familiarize each agency with the programs/missions/concerns of the other agency. This is anticipated to be an ongoing program.

4. Any remains of listed species taken as a result of this action should be deposited with the USFWS Law Enforcement Division (213) 436-1183.

MMS Response:

If observed as a part of the MMS ongoing inspection program, or if notified by a lessee, the public, etc., of the presence of dead or injured individuals, MMS will immediately notify CDFG of the locations of such individuals. Since MMS does not have personnel offshore with the proper expertise to physically retrieve such animals, MMS will rely upon assistance from the USFWS, CDFG and/or NMFS for the actual retrieval. MMS will provide these resource agencies with additional assistance as required in the recovery operations.

e. USFWS conservation recommendations

1. Continue to assist USFWS by evaluating oil spill risks at potential sea otter translocation sites where establishment of a second breeding colony of otters is being considered.

MMS Response:

The MMS will continue to provide advice to the USFWS concerning the risk of oil spills at potential sea otter translocation sites. This advice will be provided to USFWS to assist the USFWS in better understanding the potential source of OCS oil and gas development and the areas that could be affected by an oil spill.

Additionally, MMS will continue to work with USFWS in the review of the work done by USFWS contractors in the development of oil spill risk models.

2. Expand the current MMS study "Population Status of California Sea Otters" by conducting field studies to determine the demographies of the southern peripheral otter group (male and female) in order to evaluate how potential spills from development of the central Santa Maria Basin and adjacent areas may affect this group and how this may affect the entire population. This will require additional funding for specific focus on the southern peripheral group. This is essentially Tasks 3.16 and 3.17 in the SSO Recovery Plan.

MMS Response

Dr. Siniff and the University of Minnesota are presently under contract by the MMS to conduct the study, "Population Status of the California Sea Otters". They are contracted to model the entire California sea otter population. This would include the group referred to as the southern peripheral otter group. To construct this model Dr. Siniff is using all data on the California sea otter made available to him by the USFWS and the CDFG. In addition Dr. Siniff will utilize data collected from radio-tagged animals that he is presently monitoring, and 55 animals to be tagged in the near future. One of the outputs of this model is an estimate of how the loss of one or more otters in any part of its range will affect the entire population.

MMS believes that this model as presently designed will address USFWS concerns, and needs no further modification.

3. MMS should require that Oil Spill Contingency Plans include specific provisions for rapid deployment of spill containment equipment in the areas listed below. These areas are grouped according to habitat areas inhabited by one or more of the following groups of species.

Light-footed clapper rail, California least tern, salt marsh bird's-beak.

San Luis Obispo County - Pismo Beach, Nipomo Dunes

Santa Barbara County - Goleta Slough, Carpinteria Marsh, Santa Maria River, San Antonio Creek, Santa Ynez River, Purisima Point.

Ventura County - Ventura River, Santa Clara River, Mugu Lagoon, Ormond Beach, McGrath State Park

Los Angeles County - Venice Beach, Playa del Rey, Los Angeles-Long Beach Harbor, San Gabriel River, Cerritos Wetlands

Orange County - Anaheim Bay, Bolsa Chica, Huntington Beach State Park, Santa Ana River, Newport Bay

San Diego County - San Mateo Creek, Aliso Creek, Santa Margarita River, Buena Vista Lagoon, Agua Hedionda Lagoon, Bataquitos Lagoon, San Elijo Lagoon, San Dieguito Lagoon, Los Penasquitos Lagoon, Mission Bay, San Diego Bay, Tijuana River

To help accomplish the above, an oil spill containment equipment base should be established in San Diego County.

California brown pelican, American peregrine falcon, southern sea otter

Santa Barbara Channel area, Anacapa Island, Scorpion Rock, Santa Barbara Island, San Nicolas Island.

MMS Response

Oil spill response capabilities for sensitive areas (which include those containing endangered and threatened species) are addressed in Oil Spill Contingency Plans for Platforms Irene and Independence. We do not believe that an expansion of these specific plans to include areas south of Santa Barbara County is justified.

4. Subsequent leasing and development plans could be designed and authorized in such a way as to provide the maximum feasible conservation of the species until such time as recovery for each species in the project area has

advanced to a point that [impacts from] offshore development, production and related activities (i.e., tanker traffic) will not be significant. This is consistent with the policies and procedures set forth in the Secretary's recently released draft proposed five-year OCS oil and gas leasing program which calls for consultation and early resolution of conflicts with affected Federal agencies and others during the preleasing stage. The USFWS would be pleased to cooperate with MMS on developing such strategy, including providing specific input to development of the five-year leasing schedule and identification of sensitive areas in each lease area.

MMS Response

Consideration of a phasing strategy would violate the statutory mandates of MMS under the Outer Continental Shelf Lands Act of 1953 and the OCSLA Amendments of 1978, which promulgate prompt and efficient leasing and development of mineral resources of the OCS.

5. MMS should include, as part of future Area Studies, information on expected incremental increases in oil volume shipped via tanker/barge resulting from development at that Area. Information is needed on departure points, destinations, volumes and routes. Data sources may include [oil] companies (Union, Exxon, etc.), tanker companies, and ports and regulatory agencies.

MMS Response

To the extent feasible, analysis of tanker/barge oil transportation will be attempted on a generic level in future EIS/EIRs. However, we believe that the additional analysis requested by USFWS is neither warranted nor appropriate. In our opinion, projection of specific volumes of oil, destination points, and departure points over the California coast for a 30- to 50-year period is

highly conjectural. Such projections would have no scientific use whatsoever.

f. USFWS further consultation

Request: USFWS requests that formal consultation remain open past release of the Biological Opinion so that further consultation can take place.

MMS Response:

The MMS disagrees that continuation of formal consultation past release of the Biological Opinion is necessary or justified. We consider formal consultation concluded with the receipt of the USFWS Biological Opinion.

VI. SUMMARY OF EIS/EIR CUMULATIVE IMPACTS

"Cumulative impact" is the impact on the environment which results from the incremental impact of the action when added to other past, present and reasonably foreseable future actions regardless of what agency or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time. (40 CFR 1508.7)

The intent of the cumulative analysis was to provide planners and decision-makers with a projected level of potentially adverse and beneficial environmental impacts which are considered reasonably foreseeable. It is the option of the responsible agency to determine how this information will be employed.

Potentially significant cumulative impacts within the jurisdiction of the MMS were identified in the areas of geology, air quality, marine water resources, marine biology, asthetic resources, commercial fishing and kelp harvest. The MMS acknowledges that the potential for significant cumulative impacts exists and MMS will continue to monitor closely those activities which may cause such impacts. In addition, all new OCS development projects will be subject to a NEPA review process which requires a re-assessment of potential cumulative impacts.

VII. CONCLUSIONS

Development of the Point Pedernales Field is a major undertaking on the part of both industry and government. Much effort has been expended to date; these efforts will continue as the project proceeds.

The Minerals Management Service has evaluated mitigation measures and project alternatives proposed in the EIS/EIR for protection of the environment. In our deliberations, consideration was given to many factors, including environmental protection and economic feasibility. We have adopted those measures found to be appropriate and will issue conditions of project approval based on the various measures requiring special action by the operators.

I have found that the Union and Exxon projects, when conducted in accordance with existing MMS legal requirements and combined with conditions of approval resulting from the aforementioned mitigation measures, can proceed in an environmentally sound manner while providing benefits associated with production from the Point Pedernales Field, including the strengthening of national security as the United States moves toward energy independence, revenue for government, and employment opportunities.

Thomas W. Dunaway 8/5/85

Thomas W. Dunaway
Regional Supervisor
Office of Field Operations
Pacific OCS Region

Date

Based on my review of this Record of Decision, I concur with the findings and decisions outlined and committed to herein.

William E. Grant 8/5/85

William E. Grant
Regional Director
Pacific OCS Region

Date

ATTACHMENT

Union's Correspondence Regarding Point Pedernales

Biological Opinions

Union Oil and Gas Division: Western Region

Union Oil Company of California
1857 Knoll Drive
P.O. Box 6176, Ventura, California 93006
Telephone (805) 656-7600

union 76

Richard S. Gillen
Regional Offshore Construction Manager

2 July 1985

Minerals Management Service
1340 West Sixth Street, Suite 200
Los Angeles, CA 90017

Attn: Mr. Thomas W. Dunaway

Gentlemen:

RE: Fish and Wildlife Service
Endangered Species
Consultation

The referenced document pertaining to the pipeline system from Platform Irene to the Lompoc dehydration facility lists, on page 27, five modifications to the pipeline system which will allow the project to be undertaken without jeopardizing the continued existance of the California Least Tern.

Union agrees to comply with all of the five modifications listed.

Yours very truly,

R.S. Gillen

RSG/dh
0046d

Union 76 Division: Western Region
James E. Nowinski
Union Oil Company of California
911 Wilshire Boulevard #1519
Los Angeles, California 90017
(213) 977-6874

ES-189

union 76

Los Angeles, CA
July 15, 1985

U. S. Department of the Interior
Minerals Management Service
Pacific OCS Region
1340 West 6th Street
Los Angeles, California
ATTN: Bill Grant

Dear Mr. Grant:

At the request of the U. S. Fish and Wildlife Service in their Formal Consultation -- "Offshore Oil/Gas Development and Production in the Santa Maria Basin Offshore of Point Pedernales, Santa Barbara County, California," Union Oil Company is committed to compliance with the ten reasonable and prudent alternatives identified in order for this project to be undertaken without jeopardizing the continued existence of the unarmored threespine stickleback. These ten alternatives were developed jointly by Union Oil and the Fish and Wildlife Service as an effective method to remove jeopardy and reduce incidental take. If you have any questions, or require additional information, please call Jim Anderson at (213) 977-6863.

Sincerely,

James E. Nowinski

James E. Nowinski, Superintendent
Engineering and Services

JOA/dkl