United States Department of the Interior

GEOLOGICAL SURVEY

160 FEDERAL BUILDING
1340 W. SIXTH STREET
LOS ANGELES, CALIFORNIA 90017

HERB HARRY

DEC 5 - 1980

December 5, 1980

Union Oil Company of California
Post Office Box 6176
Ventura, California 93003

Attention: Mr. R. S. Gillen

Re: Plan of Development--OCS-P 0202 and P 0203, Hueneme Field

Gentlemen:

Union Oil Company of California, on January 31, 1979, submitted a Plan of Development for the Hueneme Field, Lease OCS-P 0202 and P 0203. The Plan provided for the installation of a drilling and production platform, Gina, with associated pipeline to transport produced fluids to shore.

The permitting of the pipelines is now the responsibility of the Bureau of Land Management's Pacific OCS Office and will be handled separately from the rest of the Plan.

An in-depth environmental review of Union's Plan was undertaken resulting in the preparation of a Federal Environmental Assessment/State Environmental Impact Report. Based on this environmental review we have concluded that the Plan does not constitute a major Federal action significantly affecting the quality of the human environment.

An in-depth technical review of the Plan was undertaken resulting in the conclusion that the Plan is based on sound engineering and scientific principles.

Accordingly, since the Plan is technically and environmentally sound, Union's Plan of Development, Hueneme Field, Lease OCS-P 0202 and P 0203 (except for the portion pertaining to pipelines), is hereby approved subject to the following conditions:

1. Adherence to the requirements contained in the Federal regulations for the Outer Continental Shelf and in pertinent OCS Orders, both present and future, issued by the Deputy Conservation Manager, Field Operations.

2. A description of each planned phase of the operation and each modification to the operation shall be submitted to the Deputy Conservation Manager, Field Operations, for the service life of the project. This shall include plans for abandonment and removal of the platform.

3. All phases of the installation not governed by OCS Orders shall be certified by a registered professional engineer, mechanical, electrical, or structural, as appropriate.

4. Prior to the commencement of construction and installation, a tentative progress schedule shall be submitted to the Deputy Conservation Manager, Field Operations. This schedule shall be updated, as appropriate, during the course of construction and installation.

5. During construction and installation, the Deputy Conservation Manager, Field Operations, or his duly appointed representative shall have access to the site or sites of activity.

6. Periodic progress reports shall be submitted to the Deputy Conservation Manager, Field Operations, at intervals of approximately one month, or as particular phases are completed or substantial progress is made.

7. As-built drawings shall be furnished to the District Supervisor and the Deputy Conservation Manager, Field Operations, for each installation completed.

8. Submittal to and approval by the Deputy Conservation Manager, Field Operations of the following, in regards to the design, fabrication, and installation of the platform and any major modifications thereto:

   a. Design documentation as outlined in OCS Order 8.

   b. Design Verification Plan as outlined in OCS Order 8.

   c. Fabrication Verification Plan as outlined in OCS Order 8.

   d. Installation Verification Plan as outlined in OCS Order 8.

9. Prior to installation, the lessee shall submit for approval to the District Supervisor, in duplicate, information relative to design and installation features, as indicated in subparagraphs a through g below. This information shall also be maintained at the lessee's onshore field engineering office. All approvals are subject to field verifications. This information shall include:

   a. A schematic flow diagram showing size, capacity, and design working pressure of separators, treaters, storage tanks, compressors, pipeline pumps, and metering devices.

   b. A schematic flow diagram (reference API RP 14C, example: figure E1) and the related Safety Analysis Function Evaluation (SAFE) chart (reference API RP 14C, subsection 4.3c). These diagrams and charts shall be developed in accordance with the provisions of API RP 14C and the additional requirements of OCS Order 8.

   c. A schematic piping diagram showing the size and maximum-allowable working pressure with reference to welding specification(s) or code(s) used. The maximum-allowable working pressures shall be determined in accordance with "API Recommended Practice for Design and Installation of Offshore Production Platform Piping Systems,"

API RP 14E, First Edition, August 1975, and Supplement 2, October 1977, or subsequent revisions which the Chief, Conservation Division, has approved for use. The recommendations contained in API RP 14E are acceptable for the design and installation of the platform piping system.

d. A diagram of the firefighting system.

e. Electrical system information including the following:

(1) A plan of each platform deck outlining any nonrestricted area, i.e., areas which are unclassified with respect to electrical equipment installations and outlining areas in which potential ignition sources, other than electrical, are to be installed. The area outline shall include the following information:

(a) Any surrounding production or other hydrocarbon source and a description of the deck, overhead, and firewall.

(b) Location of generators, control rooms, panel boards, major cabling/conduit routes, and identification of the wiring method, including the indentification of each wire and cable type that is utilized.

(2) Elementary electical schematic of any platform safety-shutdown system with a functional legend.

(3) Classification of areas for electical installations in accordance with the National Electrical Code, 1978 Edition, and with the "API Recommended Practice for Classification of Areas for Electrical Installations at Drilling Rigs and Production Facilities on Lands and on Marine Fixed and Mobile Platforms," API RP 500B, Second Edition, July 1973, or subsequent revisions which the Chief, Conservation Division, has approved for use.

f. The design and schematics of the installation and maintenance of all fire and gas detection systems shall include the following:

(1) Type, location, and number of detection heads.

(2) Type and kind of alarm, including emergency equipment to be activated.

(3) Method used for detection.

(4) Method and frequency of calibration.

(5) Name of organization to perform system inspection and calibration.

(6) A functional block diagram of the detection system, including the electrical power supply.

g. Certification that the design for the mechanical and electrical systems to be installed were approved by registered professional engineers. After these systems are installed, the lessee shall submit a statement to the District Supervisor certifying that the new installations conform to the approved designs or the lessee shall request approval of the "As-Built" changes.

10. Prior to commencing operations the following emergency operating procedures and contingency plans shall be submitted to the District Supervisor for approval:

    a. General Plan for Conducting Simultaneous Operations as outlined in OCS Order 8.

    b. General Welding, Burning and Hot Tapping Plan as outlined in OCS Order 8.

11. Prior to commencing operations the following emergency operating procedures and contingency plans shall be submitted to the Deputy Conservation Manager, Field Operations, for approval:

    a. Oil Spill Contingency Plan as outlined in OCS Order 7.

    b. Critical Operations and Curtailment Plan as outlined in OCS Order 2.

    c. Hydrogen Sulfide Contingency Plan as discussed in OCS Order 2.

12. Prior to commencing operations a communications plan and personnel and material transportation plans including any provisions for standby boats during hazardous operations shall be submitted to the District Supervisor for approval. These shall be reviewed periodically by the District Supervisor.

13. Plans and procedures for inspections, training and drills shall be submitted to the District Supervisor for approval. These plans and procedures should cover all normal activities and emergency procedures, concerned with all installations mentioned above, and any events that might be expected to occur on the proposed installation. They shall include methods and frequency of testing, calibration, drills and training as well as organizational or personnel responsibility that insures that plans and procedures are carried out. These plans and procedures shall be reviewed periodically by the District Supervisor.

14. Approval of generalized drilling and completion programs shall have been obtained from the Deputy Conservation Manager, Field Operations, prior to the commencement of drilling operations. A plan detailing well completion methods and practices for the field shall be submitted to the Deputy Conservation Manager, Field Operations, in sufficient time for consideration and approval prior to commencement of completion operations on the first well. This plan shall cover the requirements of OCS Order No. 11 particularly with respect to sections 12, 13, 14, and 16. This is not to be interpreted as nullifying the requirement

to obtain an approved application to drill from the District Supervisor prior to commencing drilling operations, nor to obtain subsequent permits (supplementary notices, etc.) prior to program changes, completions, etc.

The Deputy Conservation Manager, Field Operations, reserves the right to request any further information he may require. The manner in which you submit the above information may make it possible to include several requirements in the same submittal. Material previously submitted need not be submitted again but would be included by reference.

To date Union has satisfied conditions 1 through 6 which are on-going conditions and must be continued. Condition No. 8 has also been satisfied. The information required by condition No. 9 has been submitted but it has not been approved yet. If you have any questions regarding these conditions please contact Mr. Tom Dunaway at (213) 688-2846.

Sincerely yours,

H. T. Cypher

H. T. Cypher
Acting Deputy Conservation Manager
Pacific OCS Region, Field Operations