

HUASNA VALLEY ASSOCIATION
WORKING TO PRESERVE THE RURAL / AGRICULTURAL
SETTING OF THE HUASNA VALLEY
www.HuasnaValley.org

FOR IMMEDIATE RELEASE

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**PROPOSED OIL EXTRACTION PROJECT IN HUASNA VALLEY
MAY CONSUME MORE ENERGY THAN IT PRODUCES**

Huasna Valley Association Calls for Environmental Impact Report (EIR)
Likely expansion of project to be discussed at Public Meeting

Huasna Valley, CA — February 24, 2009, The Huasna Valley Association (HVA) has submitted an 88-page review of San Luis Obispo County's proposed Mitigated Negative Declaration (MND), issued on February 5, 2009, for the proposed Oil Production project in the Huasna Valley. The review overwhelmingly concludes that the MND is deficient and fails to meet the criterion of the California Environmental Qualities Act (CEQA). Furthermore, impacts to the environment, analyzed by experts retained by the HVA, will be significant, and a full Environmental Impact Report (EIR) is required.

Energy calculations based on the applicant's project description data show that this proposed energy resource development project, if approved, may result in a net energy loss for the United States.

Ron Skinner, Coordinator for the HVA states, "this project is much too complex and has far too many unknown impacts to be approved using a Mitigated Negative Declaration. There are serious unanswered questions remaining regarding potential scope of the project and potential piecemeal approaches, disposal of produced water and other fluids, produced natural gas and other hazardous emissions, reuse of existing orphaned wells, and transport of hazardous materials on local unstable roadways".

The likely future expansion of the proposed project, which might route oil tanker traffic along Huasna Road and through the City of Arroyo Grande, will be discussed, along with the need for a full Environmental Impact Report (EIR), at an HVA-hosted informational meeting on Sunday March 1, 2009 from 1-4pm at the Arroyo Grande Association Hall. Concerned citizens should plan to attend this informational meeting as well as the County Planning Commission hearing scheduled for March 26, 2009 at 8:45am.

Skinner further states, "The Huasna Valley Association reiterates our demand for an Environmental Impact Report and a fully disclosed and technically feasible project description with mitigations that will protect our rural, agricultural community." The HVA review document and all supporting expert commentary as well as the County's Mitigated Negative Declaration and all related project documents are posted on the Huasna Valley Association web site at www.HuasnaValley.org.

About the Huasna Valley Association

The Huasna Valley Association has its historical roots in 1980, when it was formed to address oil development in the Huasna Valley. The Association's stated goal is to assure that production of the Huasna Oilfield meets the community's standards to preserve the rural/agricultural setting of the Huasna Valley, protect the environment from water, soil, air, and noise pollution, and insure the health, safety, and welfare of the community. The Huasna Valley Association contact information: HVA – PO Box 1164, Arroyo Grande, CA 93421 – (805) 474-4850 - www.HuasnaValley.org ###