

County of Santa Barbara Planning and Development

John Baker, Director

Dianne Black, Director Development Services

John McInnes, Director Long Range Planning



September 18, 2008

Mr. John McKenzie, Project Manager
Department of Planning and Building
County Government Center
San Luis Obispo, CA 93408

**RE: Exceleron LLC Conditional Use Permit (DRC2006-00222): Santa Barbara County
Comments on 2nd Project Referral**

Dear Mr. McKenzie:

Thank you for forwarding the Exceleron LLC Conditional Use Permit project referral, received on September 5, 2008, to my attention. As indicated on the attachment to this letter, I recommend that additional information be provided in order to enable complete Planning & Development (P&D) review.

The proposed project consists of exploratory and production phases associated with the establishment of four production oil wells and transportation of crude oil to processing facilities outside of San Luis Obispo County. Within Santa Barbara County, impacts would result from vehicle traffic generated by the proposed project, specifically the transportation of crude oil on: 1) State Route 166 from Alamo Creek Road west to US 101; and 2) US 101 south through the entire length of the county. Although additional information is being requested, I offer the following comments at this time:

1. While the SB County Comprehensive Plan Land Use Element specifically exempts onshore production activities from pipeline transportation requirements, it does conclude that pipeline transportation is the environmentally preferred method of delivery (LUE, p. 82-d.). However, if access to a pipeline is unavailable, and trucking is the only alternative, trucking/haul distances should be minimized through delivery to the nearest oil sales truck terminal. Additional information substantiating the need to transport the oil via truck to Oxnard would be useful.
2. The number and duration of expected truck trips should be estimated in order to evaluate potential impacts related to: 1) inadequate roads, 2) traffic, 3) emissions, and 4) risk to safety. The likelihood of trucks to use alternate routes within Santa Barbara County, such as Bull Canyon Road south from SR 166 into the City of Santa Maria, and SR 154 from US 101 into the City of Santa Barbara, should also be addressed.
3. Impacts associated with project development within SLO County, such as grading required for road and other improvements, could result in impacts within SB County, such as erosion and sedimentation of Twitchell Reservoir via flows from Alamo Creek and/or the Cuyama River.

Development Review
Building & Safety
Energy, Administration
123 E. Anapamu Street
Santa Barbara, CA 93101
Phone: (805) 568-2000
FAX: (805) 568-2030

Long Range Planning
30 E. Figueroa St, 2nd Floor
Santa Barbara, CA 93101
Phone: (805) 568-3380
FAX: (805) 568-2076

Building & Safety
185 West Hwy 246, Ste 101
Buellton, CA 93427
Phone: (805) 686-5020
FAX: (805) 686-5028

Development Review
Building & Safety
Agricultural Planning
624 W. Foster Road
Santa Maria, CA 93455
Phone: (805) 934-6250
FAX: (805) 934-6258

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Earthwork projects within SB County are subject to Land Use Element Hillside and Watershed Protection Policies. In particular, Policies 1 and 6 require that development minimize cut and fill operations and conduct surface water in a non-erosive manner (LUE, pp. 86, 87).

Please include me on the mailing list for public review of the CEQA document, decision-maker staff reports and hearing notices, etc. If you have any questions or comments regarding this letter, please don't hesitate to contact me at (805) 934-6255.

Sincerely,

A handwritten signature in black ink, appearing to read "John Karamitsos". The signature is fluid and cursive, with a large initial "J" and "K".

JOHN KARAMITSOS, Supervising Planner
Development Review Division - North

Attachment: Second Project Referral memo, dated 09/02/08 (SLO County Dept. of Planning and Building)

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SAN LUIS OBISPO COUNTY

DEPARTMENT OF PLANNING AND BUILDING

VICTOR HOLANDA, AICP
DIRECTOR

THIS IS A SECOND PROJECT REFERRAL

DATE: September 2, 2008

TO: John Karamitso
Zoraida Abresch, Planning & Development, Santa Barbara County

FROM: John McKenzie, Project Manager (805/781-5452)

RECEIVED

SEP 05 2008

S.B. COUNTY (NORTH)
PLANNING & DEVELOPMENT

PROJECT DESCRIPTION: Request by Excelaron LLC for a Conditional Use Permit (DRC2006-00222), on property owned by Howard Mankins and Joan Wineman, to establish four production oil wells and transportation of crude oil to processing facilities outside of the county. The project includes an exploratory and production phase. Project components include: 1) testing for integrity of one existing orphaned well for oil production ; 2) if well testing unfavorable for production use as back-up injection well, and drill replacement production well, 3) drilling of up to three additional wells; 4) reactivation of one additional well at the shipping site for the sole purpose of a back-up water reinjection well; 5) should oil formation's quantity and quality be determined favorable, exploratory phase ends and production phase begins for up to four production wells; 6) installation of other project elements as follows: shipping/staging area for storage and operation of facility (office, processing/storage tanks, heater); above ground piping from wells to shipping storage area, and minor grading to level/widen access roads to shipping and well sites; and 7) grading that would result in approximately 1.5 acres of disturbance and movement of approximately 6,600 cubic yards of material. Truck haul route would exit site south on Huasna Townsite Road to the end of the county maintained portion, then use existing ranch roads (Porter Ranch) south to Alamo Creek Road to Highway 166, then west and south to processing facilities in Oxnard via Highway 101.

The above description is different from the original request made over a year ago for the following components: tanker truck haul route was along Huasna Road to village of Arroyo Grande (no longer proposed); three existing orphaned wells were to be used for production (now only one); one new production well (now three); an addition of an injection well and a back-up injection well, processing facility was to be Nipomo Mesa facility - now Oxnard. The total number of production oil wells has not changed.

Location: The project is located on the Mankins Ranch, which is on the west side of Huasna Townsite Road, approximately one mile south of Huasna Road, approximately 12 miles east of the City of Arroyo Grande (Highway 101), in the South County and Huasna-Lopez planning areas.

Applicant: Excelaron LLC

Return this letter with your comments attached no later than: 14 days from receipt of this referral.

PART 1 - IS THE ATTACHED INFORMATION ADEQUATE TO COMPLETE YOUR REVIEW?

YES (Please go on to PART II.)

COUNTY GOVERNMENT CENTER • SAN LUIS OBISPO • CALIFORNIA 93408 • (805)781-5600

EMAIL: planning@co.slo.ca.us • FAX: (805) 781-1242 • WEBSITE: <http://www.sloplanning.org>

