

Alice Green, Board Member, SOS California,
Testimony before the House of Representatives Committee on Natural Resources
Energy and Mineral Resources Sub-Committee
Energy Independence: Domestic Opportunities to Reverse California's Growing Dependence on
Foreign Oil
April 4, 2014

I would like to thank Chairman Lamborn, the Subcommittee and the Committee for the invitation to speak here today. I am Alice Green, a Board Member of SOS California, a non-profit organization based in Santa Barbara, CA. Our mission is to reduce the impact of natural oil and gas seep pollution upon our ocean, beaches and atmosphere through education and awareness. Our goal is to alert the public to the magnitude of natural seep pollution in the Santa Barbara Channel, and that producing the underlying oil and gas reserves has been documented to reduce the volume of pollution.

We started SOS California in 2007 as a way to educate the public about the environmental damage caused by natural oil and gas seep pollution in the Santa Barbara Channel and about the benefits that we've realized from offshore development. The environmental impact of these "natural occurrences" is substantial, and we believe the economic impact from the unrealized revenue that basically washes away every day is significant as well.

That is why we are here today. The stated goal, and the work of SOS, speak directly to the Subcommittee's assertion that we have domestic opportunities to reverse California's dependence on foreign oil, while providing support to the economy, services to the community and the state, and stimulating employment. One of these opportunities lies right offshore Santa Barbara, CA. We will make the connection between natural oil seeps and the potential economic gains that can be realized in the State of California from reversing the state and federal moratoria on offshore oil and gas production.

The largest natural oil and gas seeps in the Western Hemisphere lie in the Santa Barbara Channel. According to the California State Lands Commission, they comprise more than 1,200 of the over 2,000 active submarine seeps along the California coast. Half of these occur within 3 miles of an area called Coal Oil Point, located just west of Santa Barbara near the University of California, Santa Barbara. It is estimated that oil seepage for a single 6-mile stretch, including Coal Oil Point, averages 10,000 gallons (240 barrels) of oil each day. Every 12 months about 86,000 barrels of oil seep into the ocean—the equivalent of the quantity of oil in the 1969 oil spill in Santa Barbara. Every four years the volume of oil seepage equates to The Valdez oil spill.

Surprising to many is the fact that California offshore oil and gas production has been drying up seepage pollution. Numerous seep studies show that these natural hydrocarbon seeps result from the underlying pressurized hydrocarbon reservoirs that force oil and gas up through fissures to the seabed floor where the hydrocarbons escape in the form of oil, tar, and methane-rich gases. Oil and gas production reduces the reservoir pressure, thus reducing this natural seepage pollution. Peer-reviewed published reports document the connection between existing Santa Barbara offshore oil production and natural seepage pollution reductions over the last 20 years and the larger natural seepage pollution reduction potential through expanded offshore oil and gas production. According to UCSB Geology Professor (Emeritus) Dr. James Boles, much of the active offshore seepage is in areas off-limits to new offshore production -- areas that clearly would also see permanent reductions in seep oil pollution if production in those areas was permitted.

Reducing seepage through production also improves the marine environment. Seeps pollute the ocean and beaches, negatively impacting marine and coastal wildlife, sicken surfers, and are a significant source of air pollution in Santa Barbara County.

A study by the Minerals Management Service (now BOEM) indicates that the Santa Barbara-- Ventura Basin holds the greatest potential for undiscovered and economically recoverable oil and gas reserves

compared to other Pacific Outer Continental Shelf basins or provinces. Total recoverable reserves were estimated at 11 to 16 billion barrels of oil equivalent. Jerry Taylor, executive vice president of the Cato Institute, has stated that, "Developing California's offshore oil reserves represents a \$1 trillion mega-steroid shot to the state's economy."

So it looks as though California has a lot of oil! We must not need it, however, because it's leaking out and we're not doing much to prevent it – or collect it!

According to the California Energy Commission, California produces only about 37.2 percent of the petroleum it uses. In 2007, the state spent nearly \$50 billion for gasoline and \$9.7 billion for diesel. Petroleum-based fuels account for 96 percent of the state's transportation needs. The dependence on a single type of transportation makes Californians vulnerable to petroleum price spikes. More important, a Los Angeles Basin Crude Oil Supply study forecast that by 2020 over 80% of California oil will be imported from foreign countries.

If California could afford to import a resource that it has in abundance, this meeting would not be taking place. However, the reality of California's economic condition today is that the unemployment rate is one of the highest in the nation, public education is ranked 49th out of the 50 states, and social services are being cut back drastically - at an alarming rate.

A 2013 study by Dr. Mark Schneipp, Director of the California Economic Forecast, evaluated two scenarios (one for the state tideland development alone and one for the tideland and federal OCS production) that would occur if California were to permanently lift the ban on offshore oil and gas production. His analysis strongly demonstrates that allowing production in state and federal waters offshore California would provide broad economic benefits while creating up to 100,000 high-paying technical jobs.

Approximately 2 billion barrels offshore Santa Barbara, primarily in state tidelands waters, are discovered, estimated and producible, but subject to the state and federal moratoria on production. The larger reserves are within 7 miles of the coast. This number is significant in that, with proven slant drilling technology, these formations are accessible mostly from land-based slant drilling with no offshore spill risk. All reserves are near existing infrastructure and producible starting within 14 to 18 months with California and US approvals.

According to the Bureau of Ocean Energy Management (BOEM) there are 43 active leases in the Pacific OCS planning region. The Santa Barbara County Energy Division reports that there are 20 platforms in the Santa Barbara Channel and Santa Maria basin. Only one platform lies in state tidelands in 19 platforms are in the OCS.

A number of offshore oil and gas projects have been proposed for Santa Barbara County in the past 5 years. These include the 2009 Tranquillon Ridge Project (which was rejected by the State Lands Commission but supported by typically anti-oil production groups like the EDC). More recent projects being evaluated by the BOEM are Carpinteria Offshore Field Redevelopment Project and the Revised Development and Production Plan for Point Arguello.

With California importing over 60% of its oil from foreign sources, in addition to the oil from Alaska, we are highly dependent upon coastal oil tanker transportation. According to BOEM studies, tanker spills represent a far higher catastrophic risk than offshore production. If California dramatically reduced foreign tanker imports by producing its own reserves, the coast would see dramatic reductions in marine hydrocarbon pollution, creating a healthier environment for marine mammals, birds, marine life, and those living near and enjoying the California coastline.

Today Californians are paying some of the highest gas prices in the nation. Gas has recently climbed back above \$4 plus per gallon at the pump, a cost that is particularly devastating to the middle and lower

class who must drive to their jobs. While the price of oil is an internationally priced commodity, we are of the opinion that if California were to develop these offshore reserves -- and all of the US reserves for that matter -- it would send an immediate signal to the international community with the resulting increase in supply driving the price of oil down with a corresponding impact at the pump.

The potential benefits of developing the projects proposed for Santa Barbara County, using the existing infrastructure, as well as the oil and gas reserves in the OCS would enable Californians to see a dramatic reduction in foreign oil imports, permanently cleaner beaches, long-term funding increases for schools, substantial economic benefits and more jobs, billions in new annual revenues for the state and Santa Barbara County, and funding increases for renewable incentives.

SUPPORTING DOCUMENTATION

Alice Green, Board Member, SOS California,
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We started SOS California in 2007 as a way to educate the public about the environmental damage caused by natural oil and gas seep pollution in the Santa Barbara Channel and about the benefits that we've realized from offshore development. The Santa Barbara coastline is polluted by oil and tar washing up on the beaches every day. It oozes up naturally through cracks on the ocean floor, fouling the water, the beaches, and the marine life. The natural gas that is released into the air creates methane and has become the largest source of air pollution in Santa Barbara County. The environmental impact of these "natural occurrences" is substantial, and we believe the economic impact from the unrealized revenue that basically washes away every day is significant as well.

That is why we are here today. The stated goal, and the work of SOS, speak directly to the subcommittee's assertion that we have domestic opportunities to reverse California's dependence on foreign oil, while providing support the economy, services to the community and the state, and increased employment. One of these opportunities lies right offshore Santa Barbara, California.

In the following pages, we will make the connection between natural oil seeps and the potential economic gains that can be realized in the State of California from reversing the federal and state moratoria on offshore oil and gas production. To do that we will present the following:

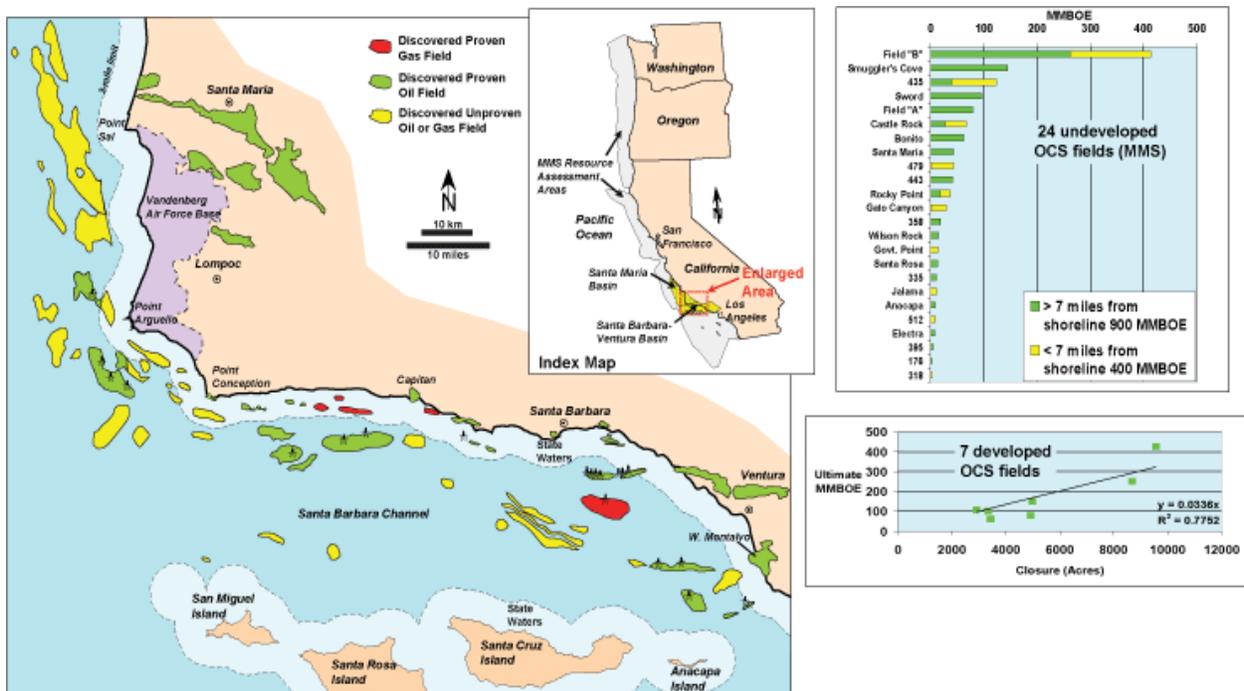
- **Oil and Gas Reserves Offshore Santa Barbara:** In this section, we provide data on the potential oil and gas reserves in the State of California-managed tidelands (within 3 miles from shore) and the Pacific Outer Continental Shelf (OCS) region that is leased by the Bureau of Ocean and Energy Management (BOEM).
- **Natural Phenomena - Oil and Gas Seeps:** In this section, we describe the phenomena of natural oil and gas seeps, and the resulting environmental impacts.
- **Oil and Gas are Seeping from California's Reserves:** In this section, we will demonstrate the connection between natural oil seeps and the formations that contain the oil and gas reserves.
- **Offshore Oil and Gas Extraction Reduces Seepage along the Coast:** In this section, we cite peer-reviewed studies proving that oil and gas production reduces the oil and gas seeps.
- **Reducing Seeps Improves the Environment:** In this section, we show that reducing the seep outflow would benefit the environment.
- **California Relies on Imported Oil:** In this section, we review California's need for oil resources, and the state's reliance on imported oil.

- **California’s Economic Challenges:** In this section, we present evidence that California is struggling economically, and cannot afford to import a resource it has in abundance.
- **California’s Economic Solutions:** In this section, we provide information on a recent study by the California Economic Forecast that shows that California has the potential to realize a large economic windfall if these oil and gas resources were to be developed.
- **California Projects Are Ready to Go:** In this section, we demonstrate that, because of existing infrastructure, and the projects proposed, offshore resources could be in production within 14 to 18 months.

Oil and Gas Reserves Offshore Santa Barbara

A study by the Minerals Management Service (now BOEM) based upon seismic analysis indicated that the Santa Barbara – Ventura Basin holds the greatest potential for undiscovered and economically recoverable oil and gas reserves compared to other Pacific Outer Continental Shelf basins or provinces. Total recoverable reserves were estimated at 11 to 16 billion barrels of oil equivalent.

The graphic below shows discovered, undeveloped oil fields offshore from Santa Barbara County, California. They include fields located in the OCS and well as within the state 3-mile limit (depicted by the shaded area that parallels the coastline). In state and federal waters, there are 24 undeveloped oil and gas fields, but only 7 developed fields.

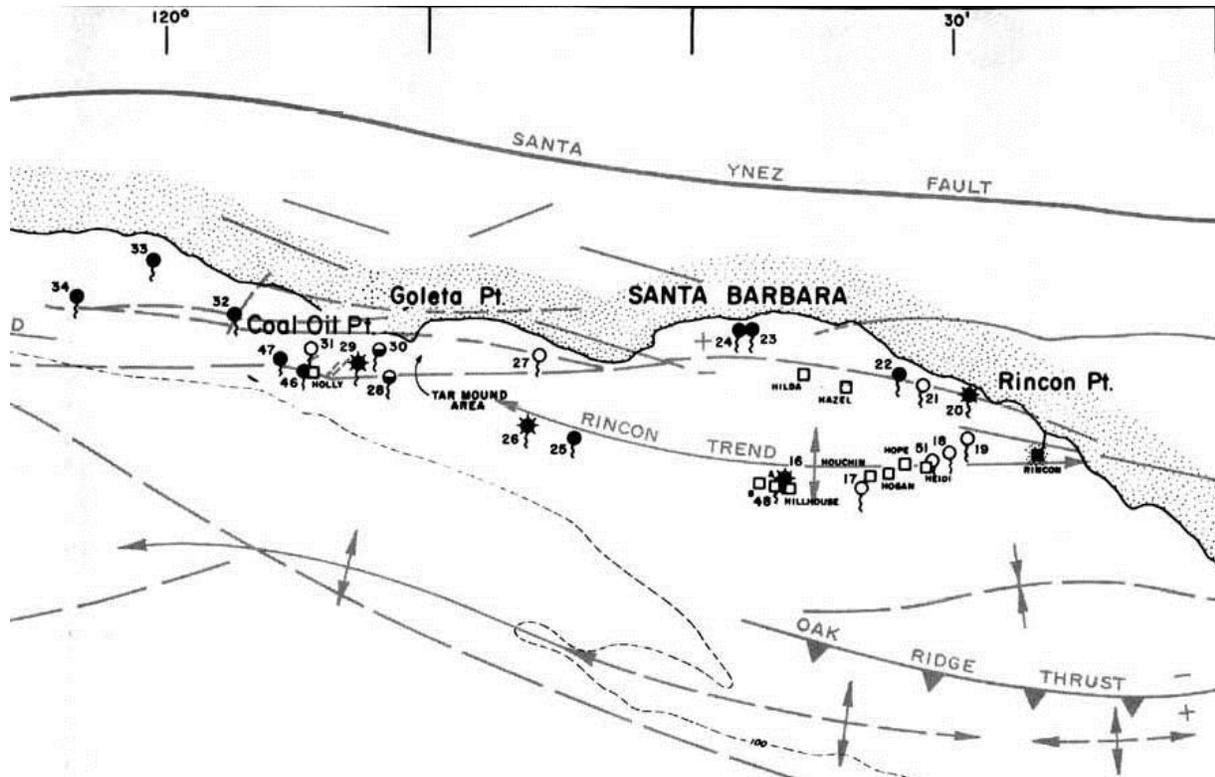


Approximately 2 billion barrels offshore Santa Barbara are discovered, estimated and producible, but subject to state and federal moratoria on production. As this graphic depicts, the larger reserves are within 7 miles of the coast. This number is significant in that, with recently proven slant-drilling technology, formations within 7 miles of shore are accessible mostly from land-based slant drilling, with no offshore spill risk. All reserves are near existing infrastructure and producible starting within 14 to 18 months with California and US approvals.

Natural Phenomena - Oil and Gas Seeps

The largest natural oil and gas seeps in the Western Hemisphere lie in the Santa Barbara Channel. According to the California State Lands Commission, they comprise more than 1,200 of the over 2,000 active submarine seeps along the California coast. Half of these occur within 3 miles of an area called Coal Oil Point, located just west of Santa Barbara near the University of California, Santa Barbara (UCSB) campus.

The map below shows the location of the oil and gas seeps offshore southern Santa Barbara County. Not coincidentally, most of the known but untapped Santa Barbara offshore oil and gas resources are in seepage zones.



CALIFORNIA OFFSHORE OIL & GAS SEEPS

FROM POINT ARGUELLO TO MEXICO

SHOWING

LOCATIONS OF KNOWN SEA FLOOR OIL SEEPS AND PRINCIPAL FAULTS

ACCOMPANYING REPORT BY ELBERT R WILKINSON

DIVISION OF OIL & GAS

PREPARED BY THE DIVISION OF OIL & GAS FROM PUBLISHED AND UNPUBLISHED MAPS

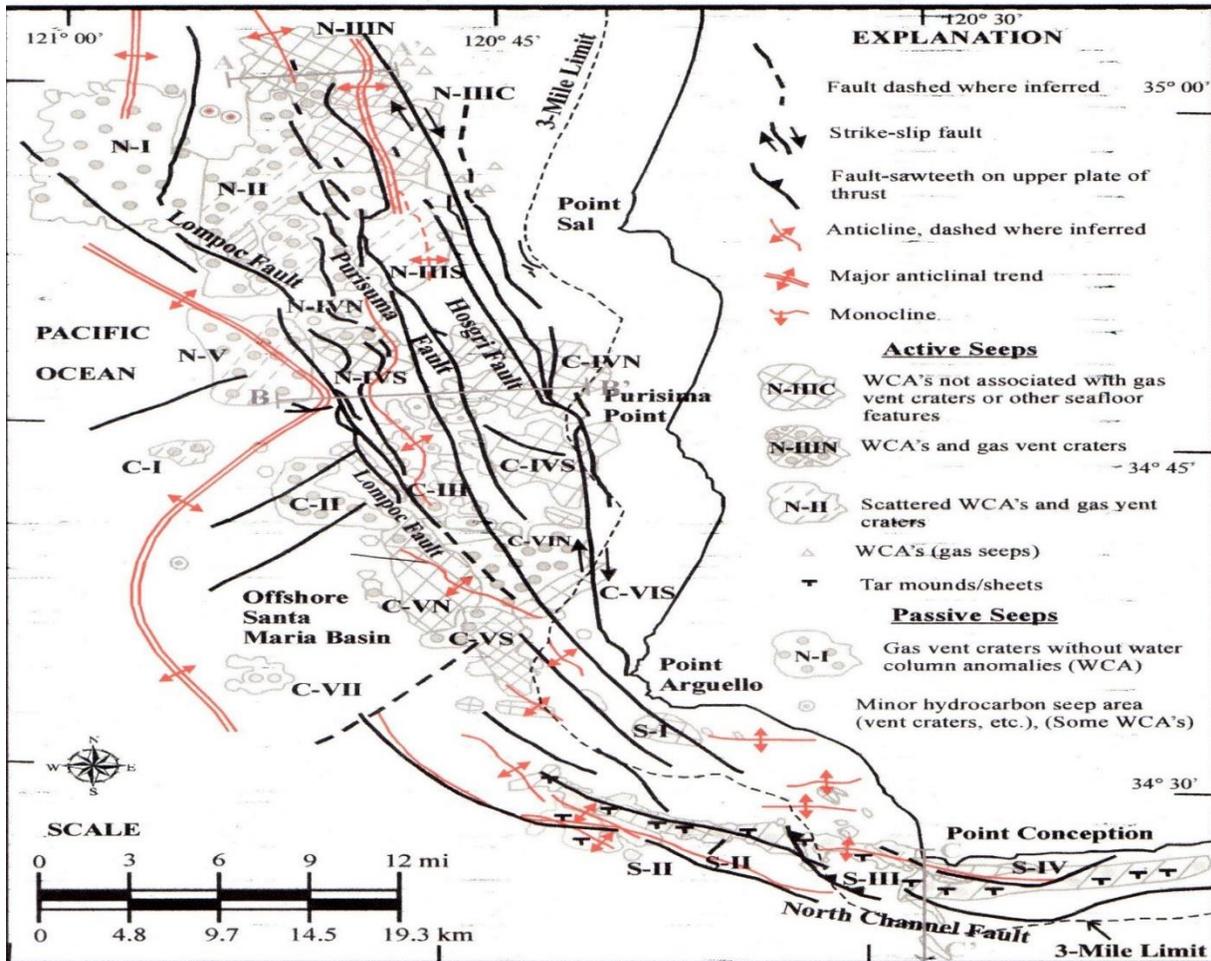
LEGEND

MAJOR FAULTS	
SECONDARY FAULTS	
POSTULATED FAULT TRACES	
ANTICLINES - AXES	
SYNCLINES - AXES	
SEEPS: OIL	
GAS	
TAR	
OIL & GAS	
OIL DEVELOPMENT PLATFORMS	
OIL DEVELOPMENT ISLANDS	

It is estimated that oil seepage for a single 6-mile stretch along the Santa Barbara coastline averages 10,000 gallons of oil each day (240 barrels). Every 12 months about 86,000 barrels of oil seep into the ocean—the equivalent of the quantity of oil spilled in the 1969 oil spill in Santa Barbara. Every 4 years

the volume of oil seepage equates to the Valdez oil spill. Since 1970, the quantity of oil that naturally seeps into the Santa Barbara Channel equals approximately 31 "1969" oil spills.

There is also an extensive network of oil and gas seeps offshore from Santa Barbara's North County, in an area known as the Santa Maria Basin.



(Fischer, 1972 and 1998; Fischer and Stevenson 1973, and Saenz 2002)

Oil and Gas are Seeping from California's Reserves

Crude oil and natural gas seep naturally out of fissures in the ocean seabed and eroding sedimentary rock. These seeps are natural springs where liquid and gaseous hydrocarbons leak out of the ground (like springs that ooze oil and gas instead of water). Whereas underground pools of water feed freshwater springs, oil and gas seeps are fed by natural underground accumulations of oil and natural gas. Natural oil seeps are used in identifying potential petroleum reserves (Global Marine Oil Pollution Gateway).

The gas and oil originate from a petroleum reservoir 1,500 meters below the sea floor. They seep from the crests of anticlines exposed on the seafloor through as much as 60 meters of water to the surface. On the sea surface, locations of seeps are characterized by patches of bubbles and oil slicks that extend down-current. The photo above, from a Nekton, Inc. submersible dive in 1982, shows gas bubbles from the tar seeps in the Coal Oil Point area.

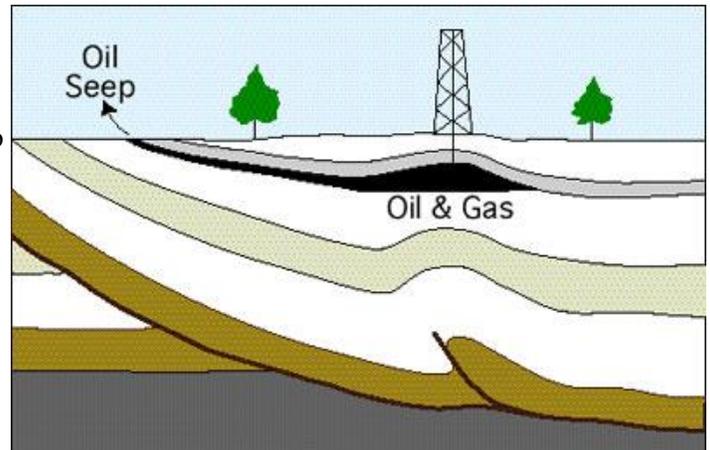


Viewed at the sea surface, seeps range from being so diffuse that they are undetectable to appearing on the surface as areas of effervescence or boiling, measuring 1 to 10 meters in diameter. A large amount of seepage takes the form of gas bubbles that emerge from the seafloor, carrying a thin coating of oil on their surfaces. Seepage also occurs as discrete oil droplets and as tar that oozes out and forms tar mounds on the seafloor. (Santa Barbara County Energy Division - <http://www.sbcountyplanning.org/energy/information/seeps/seeps.html>)

At right, the schematic shows a vertical slice through the Earth's crust, with folded layers of sedimentary rocks holding oil and gas in the crest of an underground fold. (<http://walrus.wr.usgs.gov/seeps/what.html>)

When the fold extends to the land (or sea) surface, a seep can occur. The schematic shows how natural seep oil is connected to the formations from which companies collect oil.

So we see that seep zones are related to untapped oil and gas reservoirs offshore from Santa Barbara County California. It is also clear that offshore seeps are the overwhelming source of our hydrocarbon pollution, not offshore oil extraction.



Offshore Oil and Gas Extraction Reduces Seepage along the Coast

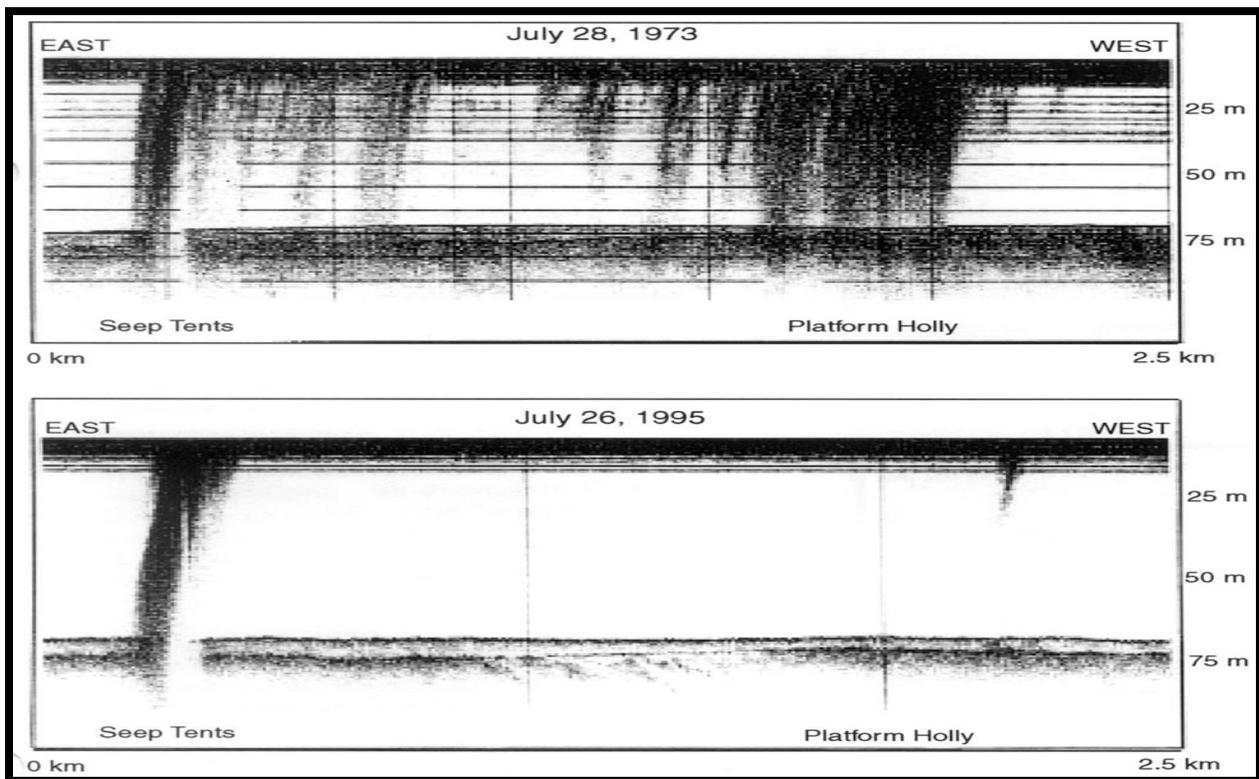
Surprising to many is the fact that California offshore oil and gas production has been drying up seepage pollution. Peer reviewed published reports document the connection between existing Santa Barbara offshore oil production and natural seepage pollution reductions over the last 20 years and the larger natural seepage pollution reduction potential through expanded offshore oil and gas production.

<http://www.ia.ucsb.edu/pa/display.aspx?pkey=412>

A press release from the University of California, Santa Barbara (UCSB) on November 18, 1999 referenced peer-reviewed studies that were published in vol. 104, no. c9, pages 20,703-20,711 (September 15, 1999 issue) of *Geology Magazine & Journal of Geophysical Research- Oceans*. That article stated the following:

- “Natural seepage of hydrocarbons from the ocean floor... has been significantly reduced by oil production.”
- “Studies of the area around Platform Holly show a 50 percent decrease in natural seepage over 22 years”
- If oil were to be pumped out of the La Goleta Seep, researchers state that there would be “a reduction in non-methane hydrocarbon emission rates equivalent to removing half of the on-road vehicle traffic from Santa Barbara County. In addition, a 50 percent reduction of seepage from the La Goleta seep would remove about 25 barrels of oil per day from the sea surface, which in turn would result in a 15 percent reduction in the amount of tar on Santa Barbara beaches.”

Platform Holly lies offshore from southern Santa Barbara County, and is operated by Venoco, Inc. The seep fields that surround Platform Holly are studied extensively by researchers from UCSB. A study of the platform that used sonar profiles showed an 80 percent reduction in seepage in the area of operations.



The UCSB seep study also stated that:

- “The large reduction in the amount of tar found on Santa Barbara beaches between 1958 and 1977 may also be due to offshore oil production.” [Mertz 1959; Welday 1977]

This study and numerous other seep studies show that natural hydrocarbon seeps result from pressurized hydrocarbon reservoirs that force oil and gas up through fissures to the seabed floor where the hydrocarbons escape in the form of oil, tar, and methane-rich gases. Oil and gas production reduces the reservoir pressure, thus reducing this natural seepage pollution.

According to UCSB Geology Professor (Emeritus) Dr. James Boles, much of the active offshore seepage is in areas off-limits to new offshore production- areas that clearly would also see permanent reductions in seep oil pollution if production in those areas was permitted. When asked whether it was clear that there is a direct relationship between offshore oil production and seepage reduction, Dr. Boles replied, “Absolutely. This is one of the very few places in the world you can actually document this. There is no question that (production) would reduce the amount of seepage. In fact, the present seepage offshore is greatest where you have unproduced state leases.”

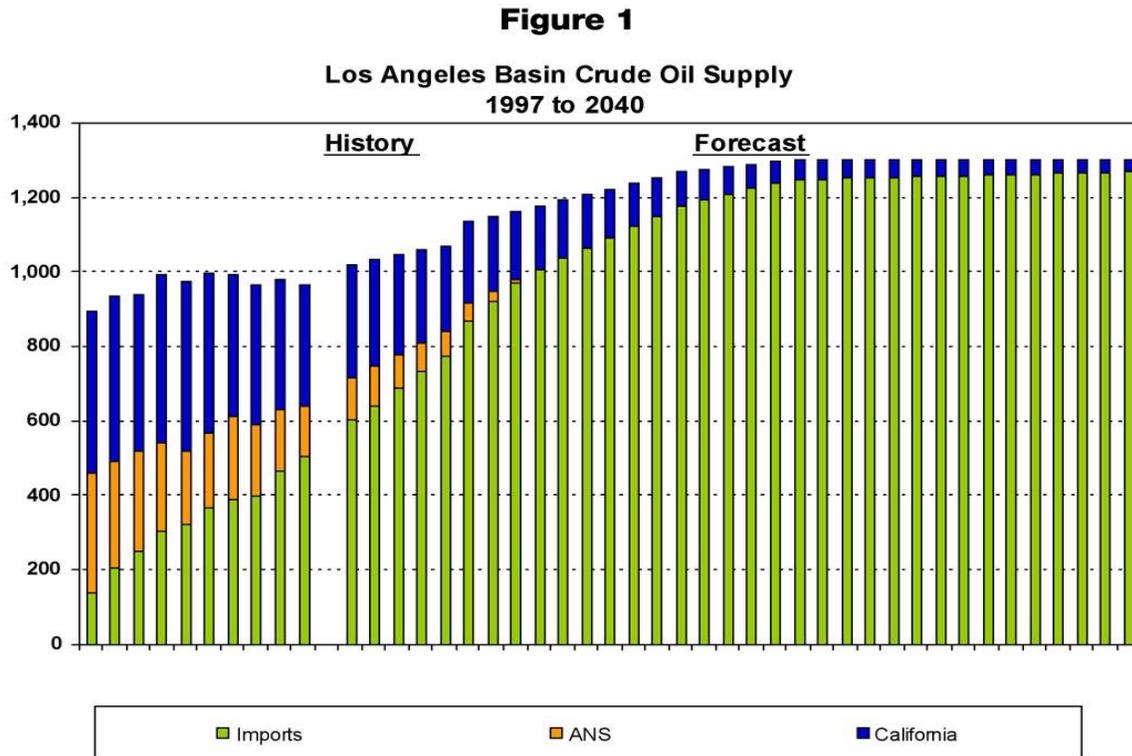
Reducing Seeps Improves the Environment

Offshore oil and gas production can actually improve the marine environment. Seeps pollute the ocean and beaches, sicken surfers, and are a significant source of air pollution in Santa Barbara County. For example, in January 2005 an increase in this seepage created a 25-square-mile oil slick. As many as 5,000 seabirds that washed ashore from Santa Barbara to Huntington Beach had been killed or oiled. According to the 1999 UCSB seep study, “The decrease in hydrocarbon seepage rate near platform Holly, possibly due to the reduction in subsurface reservoir pressure, suggests that oil production here has resulted in an unexpected benefit to the atmosphere and marine environment.”...

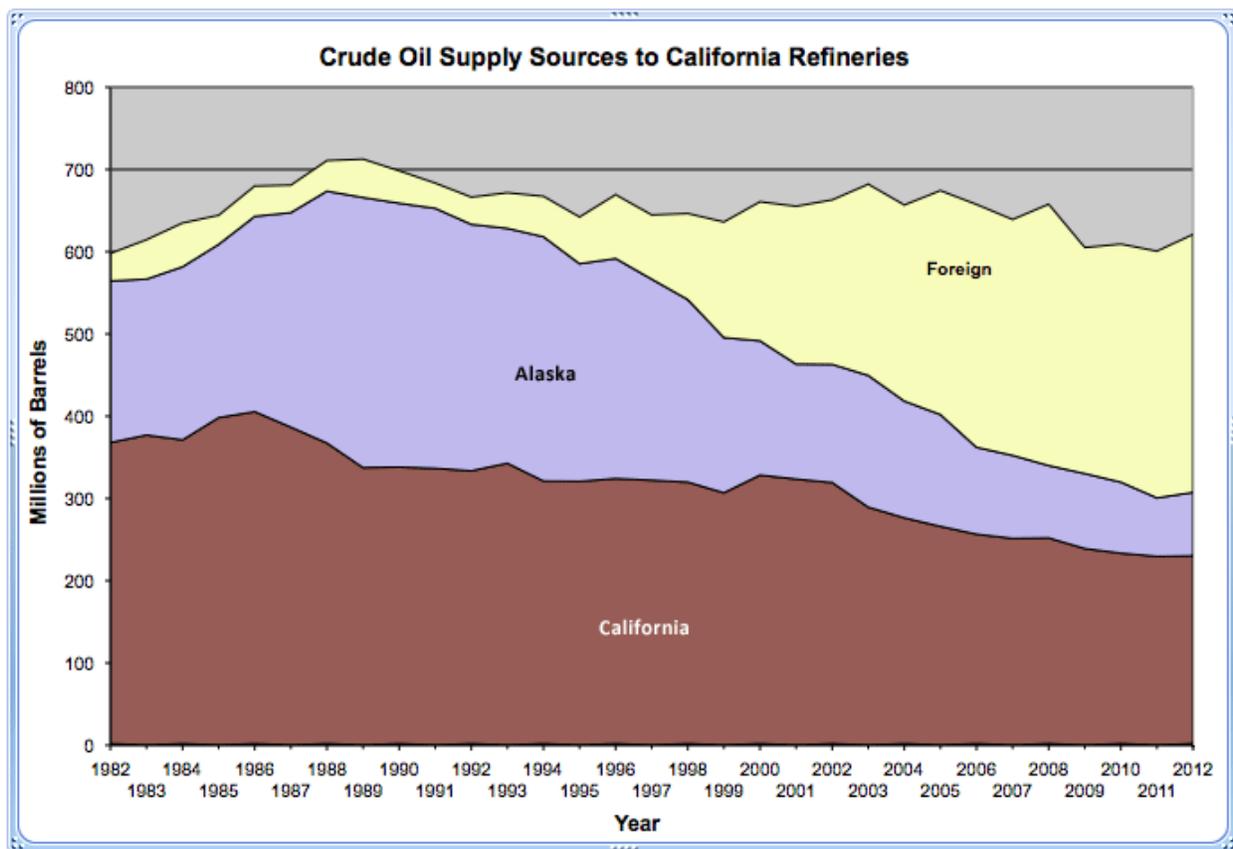
California Relies on Imported Oil

It looks as though California has a lot of oil – and we do! So why are we importing it?

California is actually the second largest importer of oil in the nation – second only to the nation itself. The chart below shows a Los Angeles Basin Crude Oil Supply Outlook, and that oil imports are steadily increasing. As noted below, imported oil from foreign sources are forecast to exceed 80% by 2020.



The following chart from the California Energy Commission (2012) shows crude oil supplies to California refineries, and shows the increase in foreign imports while domestic imports are decreasing.



According to the California Energy Commission, California is a net importer of oil. It produces only about 37.2 percent of the petroleum it uses. In 2007, the state spent nearly \$50 billion for gasoline and \$9.7 billion for diesel. Petroleum-based fuels account for 96 percent of the state's transportation needs. The dependence on a single type of transportation makes Californians vulnerable to petroleum price spikes. Transportation is the largest emitter of greenhouse gases. The demand for gasoline and diesel fuel will continue to rise because of population growth, the lack of mass transit, and the number of sports utility vehicles on California's roads. Also, jobs and housing continue to become farther apart, increasing the miles traveled by the work force.

With California importing over 60% of its oil from foreign sources, in addition to the oil from Alaska, we are highly dependent upon coastal oil tanker transportation. According to BOEM studies, tanker spills represent a far higher risk than offshore production. If California dramatically reduced foreign tanker imports by producing its own reserves, the coast would see dramatic reductions in marine hydrocarbon pollution, creating a healthier environment for marine mammals, birds, marine life and those living near and enjoying the California coastline.

California's Economic Challenges

If California could afford to import a resource that it has in abundance, this meeting would not be taking place. However, the reality of California's economic condition today is that the unemployment rate is one of the highest in the nation, public education is ranked 49th out of the 50 states, and social services are being cut back drastically - at an alarming rate.

Californians are also paying the highest gas prices. Gas has recently climbed back up to \$4 dollars plus at the pump, a cost that is devastating to those who must drive to their jobs. Many of us here have heard the argument that if we were to develop offshore California reserves, it wouldn't impact the price of our oil at

all because it's an internationally priced commodity. Others are of the opinion that if we were to develop these offshore reserves - and all of the US reserves for that matter - it would send an immediate signal to the international community, and we'd see the impact of that at the gas pumps. Producing the US energy reserves would increase supply and drive the price of oil down. More importantly, producing California's offshore reserves would put the state on the road to energy independence and greatly decrease the nation's dependence on foreign oil.

California's Economic Solution

Jerry Taylor from the CATO Institute has stated that, "*Developing California's offshore oil reserves would represent a one trillion dollar mega steroid shot to the state's economy.*"

A 2013 study by Dr. Mark Schneipp, Director of the California Economic Forecast, evaluated two scenarios that could occur if California were to permanently lift the ban on offshore oil and gas production. Scenario A assumes development of all state tidelands reserves, and Scenario B assumes the combination of both state tidelands production and federal California OCS production. His analysis strongly demonstrates that permanently lifting the moratoria and allowing production in state and federal waters offshore California would produce broad economic benefits, including windfall fiscal benefits to the state's budget.

Dr. Schneipp's analysis shows peak production under Scenario B is 921 million barrels of oil in 2029. The economic benefits under Scenario B are as follows:

- Personal income (adjusted for inflation) rises by \$18+ billion per year during the peak years. Most of this income is reclaimed--it would have been exported to Saudi Arabia, Ecuador, and Iraq in exchange for oil.
- \$514 billion in new personal income generates \$22 billion in personal income taxes. Income tax receipts flow directly into the California General Fund.
- Royalties on the net wellhead value of oil and gas produced from state tidelands, yields revenue equal to \$32 billion over the 2015 to 2060 time period
- During the peak years of production (2025 to 2035) oil and gas royalties collected exceed \$1 billion per year.
- Total real property taxes would peak during the 2025 to 2037 time period when estimated collections would exceed \$700 million per year.
- Total collections over the life of the scenario are estimated at \$23 billion.
- More than 100,000 new jobs are created during the peak years.

Dr. Schneipp states that property tax revenues will contribute to schools, health centers, and infrastructure projects that will contribute substantially to the quality of life in not only coastal regions directly affected by the development, but statewide. Thousands of jobs and billions of dollars in new income are created as a result of new offshore oil and gas development in California more than 100,000 new jobs are created during the peak years.

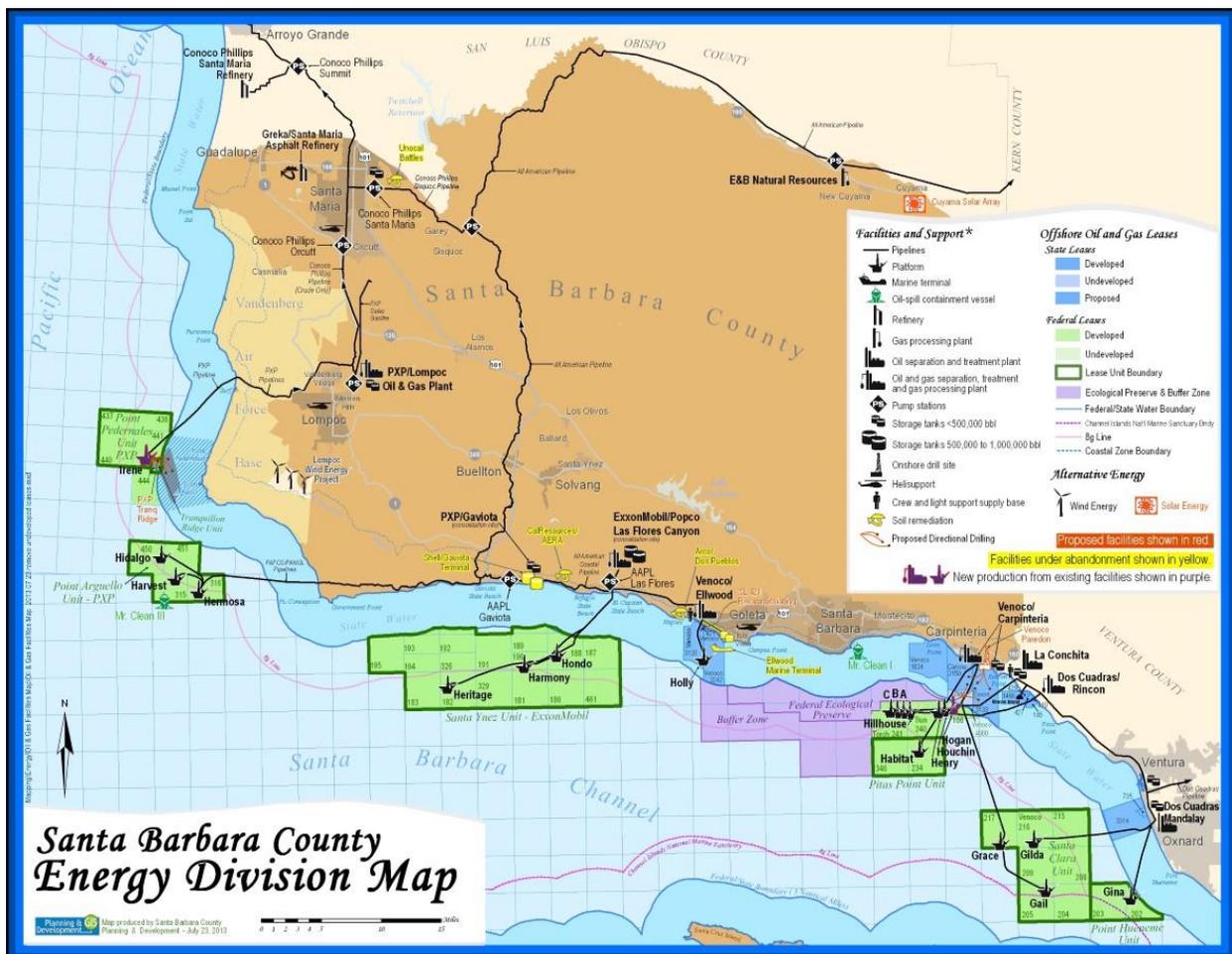
Dr. Schneipp concludes that investment and development of oil and gas resources offshore California can increase economic growth with significant job creation accompanied by the windfall generation of wages, taxes, and other public revenues. This would both invigorate and stabilize economic growth while reducing budget volatility.

California Projects Are Ready to Go

A number of offshore oil and gas projects have been proposed for Santa Barbara County in the past 5 years. These include:

- **The Tranquillon Ridge Project (rejected by State Lands Commission)** - One major acknowledgement of the safety of expanded California offshore oil production came in 2009, when several previous anti-offshore oil special interest groups led by the Environmental Defense Center (EDC), agreed to support this slant-drilling offshore oil project in the Santa Maria basin. The State Lands Commission voted down the proposal at a 2009 hearing, with the SLC Chairman, John Garamendi, asserting that approval would put the California coastline at risk. This decision was made in spite of evidence that offshore oil production was solely responsible for the significant reductions in coastal seepage pollution and that the area surrounding Tranquillon Ridge was also a natural hydrocarbon seep area. Ironically, the beaches near Tranquillon Ridge are documented by BOEM to be heavily polluted from natural seep oil.
- **Carpinteria Offshore Field Redevelopment Project** - BOEM has initiated a 60-day scoping process for public comment to prepare a joint Environmental Impact Statement/Environmental Impact Report with the State of California on a revised Development and Production Plan (DPP) submitted by Pacific Operators Offshore, LLC. The revised DPP proposes development of oil and gas resources from three existing state-issued oil and gas leases in state waters from an existing offshore platform located in federal waters approximately 3.7 miles offshore Carpinteria, California.
- **Revised Development and Production Plan for Point Arguello** - Plains Exploration & Production Company (PXP) has revised its oil and gas DPP for the Point Arguello Unit. The revised DPP proposes to drill two wells from Platform Hidalgo in the Point Arguello Unit to extract federal oil and gas reserves from Electra field, a previously undeveloped field adjacent to the Unit. Both Platform Hidalgo and Electra field are in existing federal leases on the OCS.

According to BOEM, there are 43 active leases in the Pacific OCS planning region. The Santa Barbara County Energy Division website provides information on platforms offshore from Santa Barbara County. There are 20 platforms total in the Santa Barbara Channel and Santa Maria Basin. Only 1 platform lies in the state tidelands (within the 3-mile limit) and 19 platforms are in the Pacific OCS. The Santa Barbara County Energy Division Map, provided below, shows current oil and gas activities in state and federal waters.



The oil and gas resources along the Santa Barbara County coastline are extractable within reach of modern slant drilling from land with no risk of an offshore oil spill. Because these resources are near existing infrastructure, production could begin in 14 to 1 months.

The potential benefits of releasing the state and federal moratoria on oil and gas production offshore California are significant. They include dramatic reductions in foreign oil imports, permanently cleaner beaches, substantial funding increases for schools, increased economic benefits and jobs, billions in new annual revenues for California and Santa Barbara County, and large funding increases for renewable incentives.

With a responsible energy and environmental policy that includes expanded offshore oil and gas production, California can build the bridge to our renewable, and economically sound, future.