



Questions and answers about Aera Energy's East Cat Canyon oil field redevelopment project

Q1: What action has Aera Energy taken related to its oil field redevelopment project in north Santa Barbara County?

A: In April 2015 Aera submitted a land-use permit application to Santa Barbara County to re-establish production at the East Cat Canyon oil field. The application is currently under review and an environmental impact report (EIR) is in progress.

Q2: Where is the East Cat Canyon redevelopment project located?

A: The East Cat Canyon project is in a rural area about 10 miles southeast of Santa Maria adjacent to other oil fields and ranchlands. Cat Canyon is one of California's oldest oil fields. Our project site was producing oil for nearly 100 years before being decommissioned in the 1990s.

Q3: Why has Aera decided to re-establish this oil field?

A: Changes in technology and economic conditions have led to Aera's interest in re-establishing the East Cat Canyon field.

Q4: Tell me more about Aera Energy.

A: Aera Energy is one of California's leading oil production companies with active operations in Fresno, Kern, Monterey and Ventura counties. Aera is a respected partner in the communities where we are located. We've earned that trust because our operations not only produce energy, but protect human health and the environment and serve the community.

Q5: How many oil wells will be drilled?

A: There will be 141 oil wells and a similar number of wells for steam injection, water injection, and observation.

Q6: How much oil will be produced at this site?

A: We estimate the field will produce approximately 5,000 barrels per day initially and up to 10,000 barrels a day at peak production.

Please contact us for more information:

Rick Rust, Aera public affairs manager

Phone: 805.361.8800 ** Email: AeraEastCatCanyon@AeraEnergy.com





Q7: Will the project use freshwater?

A: The project will not use freshwater for oil production. Three freshwater wells will be used for drip irrigation, fire protection, dust control and sanitation. Safety systems to protect surface and ground water quality will be required for project approval.

Q8: What techniques will be used to produce oil?

A: Because the oil here is relatively thick, steam injection will be used to heat the oil and help it flow. Steam injection is a widely accepted and commonly used process that is permitted under state law and has been employed safely in California and the nation for more than 50 years.

Q9: Will the project use hydraulic fracturing?

A: No.

Q10: What utilities will be required?

A: A new natural gas pipeline will be built to the project site that will originate at a Southern California Gas Company facility at Graciosa Road and utilize existing utility rights-of-way. Also, an interconnect line will be built to Pacific Gas and Electric's Sisquoc Santa Ynez electric line.

Q11: When will oil production start?

A: The project is anticipated to come on-line within three years after county approval. First production is expected to be in the early 2020s.

Q12: How long will there be oil production operations at the site?

A: Roughly 30 years.

Q13: What does the environmental review process entail?

A: The Santa Barbara County Planning and Development Department has begun to develop an environmental impact report (EIR), which will analyze all potential human health and environmental impacts such as effects on air, water, seismicity, and noise. Only after the EIR is finalized may the Santa Barbara County Planning Commission vote on the project. Project alternatives must also be analyzed in the EIR.

Please contact us for more information:

Rick Rust, Aera public affairs manager

Phone: 805.361.8800 ** Email: AeraEastCatCanyon@AeraEnergy.com





Q14: How will human health and the environment be protected?

A: Our project will rigorously comply with all of the many local, state and federal laws that apply, ensuring the protection of human health and the environment.

Q15: What are some of the laws with which the project must comply, and some of the agencies that will be reviewing the project?

A: The United States Clean Air Act, Clean Water Act and Endangered Species Act, as well as the California Clean Air Act and California Global Warming Solutions Act are among the laws and county ordinances with which the project must comply. Agencies reviewing the project will include the U.S. Fish and Wildlife Service, U.S. Army Corps of Engineers, California Division of Oil, Gas & Geothermal Resources, California Department of Fish and Wildlife, California Department of Transportation, Central Coast Regional Water Quality Control Board, Santa Barbara County Air Pollution Control District, and the Santa Barbara County Departments of Planning and Development, Public Works, and Health.

Q16: Does the public have a chance to participate in the EIR process?

A: The public has a very important role in the EIR process. Citizen comments and questions are encouraged, and the county is required by law to respond to all public comments and questions.

Q17: I understand that Aera is considering an alternative that would produce the same amount of oil but with a reduced project footprint. Can you tell me about it?

A: At the county staff's request, Aera's Team has spent several months developing a project alternative that produces the same amount of oil but with a much smaller environmental footprint. This reduced footprint alternative cuts the amount of land disturbance by nearly half and reduces impacts on oak trees by 50%. In fact, it leaves more than 90% of the project site undeveloped.

Some additional data gathering and engineering work is necessary before Aera can finalize this new alternative and confirm it is technically feasible. Specifically, Aera will need to drill several temporary borings to collect geological data. This will require a land use permit from Santa Barbara County.

Q18: How will you reduce the footprint for the project alternative?

A: We will be using directional drilling, which can allow us to reach the same oil producing locations in the underground oil-bearing reservoir from fewer locations at the surface.

Please contact us for more information:

Rick Rust, Aera public affairs manager

Phone: 805.361.8800 ** Email: AeraEastCatCanyon@AeraEnergy.com





Q19: How much of the project site will be graded or built upon?

A: The original project proposal utilized existing roads and well pads to minimize grading and limit the overall footprint to roughly 14% of the property. The Reduced Footprint Project Alternative reduces that overall footprint to just 8% of the property.

Q20: Will constructing the project require removing oak trees?

A: Yes. However, the oak trees that must be removed during construction will be replaced as required by county regulations.

Q21: How many trees are expected to be removed?

A: The original Project proposal requires about 7% of the site's mature oak trees (about 1500 trees) be removed. The Reduced Footprint Project Alternative requires about 3% of the site's mature oak trees (about 735 trees) be removed.

We have submitted an Oak Tree Replacement Plan to the county that describes several different options for replacing these trees in compliance with county ordinances. For every mature tree removed, replacement requirements range from planting 3 to 10 new trees, depending on the size and/or age of the replacement tree. One replacement option includes planting the new oak trees in a nearly 700-acre conservation area within the project site, which would become permanently protected oak woodland and wildlife habitat.

Q22: Will there be additional truck trips associated with the project?

A: Yes. Trucks will be used for many purposes, including transportation of crude oil. The impacts of those vehicle trips will be carefully analyzed and mitigated as part of the environmental review process. For example, our permit application proposes to reduce impacts in part through a transportation safety plan and a low-emission truck fleet.

Q23: Will there be safety issues related to those additional truck trips?

A: The EIR will independently address this question. However, our research has shown that road safety will be ensured because these trucks and drivers must comply with very strict safety standards, which have a proven record of reducing accidents. In fact, according to California Highway Patrol data, these kinds of trucks are involved in half as many accidents as cars.

Please contact us for more information:

Rick Rust, Aera public affairs manager

Phone: 805.361.8800 ** Email: AeraEastCatCanyon@AeraEnergy.com





Q24: What will be the economic impacts of this project?

A: According to the UC Santa Barbara Economic Forecast Project, Aera's project is estimated to create more than \$1.3 billion in total economic activity. It will create hundreds of well-paying jobs with good benefits for Santa Barbara families.

The project will also generate more than \$250 million in local, state and federal taxes that will include support for Santa Barbara County schools, public safety and other vital services.

Please contact us for more information:

Rick Rust, Aera public affairs manager

Phone: 805.361.8800 ** Email: AeraEastCatCanyon@AeraEnergy.com

