

MIKE NOVO
ZONING ADMINISTRATOR

STATE OF CALIFORNIA
COUNTY OF MONTEREY

RESOLUTION NO. 404283

A.P. # 424-081-078-000

In the matter of the application of
Porter Estate Co (PLN040283)

FINDINGS & DECISION

for a Use Permit (Temporary) in accordance with Title 21 (Zoning) Chapter 21.74 (Use Permits) of the Monterey County Code, for a redrill of an existing exploratory well in search of commercial quantities of oil and natural gas from a surface location approximately 300 feet north of Jolon Road and approximately 1.5 miles west of the intersection of Highway 101 and Jolon Road, within Section 2 of Township 24 south, range 10 east, came on regularly for hearing before the Zoning Administrator on November 18, 2004.

Said Zoning Administrator, having considered the application and the evidence presented relating thereto,

FINDINGS OF FACT

1. FINDING: PLAN, POLICY AND ZONING CONSISTENCY FINDING: The subject Use Permit (**Porter Estate; PLN040283**) for an exploratory well in search of commercial quantities of oil and natural gas, as conditioned, is consistent with the General Plan, including Goal 2, Objective 2.1, Policy 2.1.1., and Objective 2.3, Policy 2.3.2., to identify the compatibility of mineral extraction activities with current land uses, and to have the applicant furnish the County with all information needed to make an environmental assessment of the proposed mineral extraction operation. The South County Area Plan identifies the very productive oil fields located on both sides of Highway 101, south of the town San Ardo, and although this project is not located in the San Ardo fields, it is in close proximity to them. Zoning Ordinance, Title 21, allows for the exploration and removal of oil and gas with a Use Permit on property designated "Permanent Grazing" ("PG/40"). The subject property is in compliance with all rules and regulations pertaining to the use of the property; no violations exist on the property and all zoning abatement costs, if any, have been paid.

EVIDENCE: (a) Planning and Building Inspection staff have reviewed the project as contained in the application and accompanying materials for conformity with the Zoning Ordinance, Title 21, and have determined the project is consistent with the South County Area Plan, which identifies the general area for mineral extraction, Figure 9, "South County Planning Area Land use Plan," and shows the proposed exploratory oil site just south of the existing San Ardo oil fields.

(b) The use, which is an *exploratory oil well*, is consistent with Section 21.34.050 Y, "Permanent Grazing" zoning district, which allows this use upon the granting of a conditional use permit.

(c) The proposed 1.5 acre would contain equipment for a portable drilling rig capable of drilling to a depth of 11,000 feet (rig floor for the drill with a catwalk, pipe trailer,

shaker tank, mud pumps, and light plant). This portion of the Porter Estate Company is zoned "Permanent Grazing/40."

(d) The Bradley/Parkfield Land Use Advisory Committee voted on September 15, 2004 to recommend approval of the project by a vote of 4 to 0 with 2 absent.

(e) Staff reviewed Monterey County Planning and Building Inspection Department records and verified that no violations exist on subject property.

2. **FINDING: HEALTH AND SAFETY FINDING:** The establishment, maintenance or operation of the Use/project applied for will not under the circumstances of this particular case, be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the County.

EVIDENCE: (a) The project was reviewed by Public Works, Water Resources, Environmental Health, South Monterey County California Department of Forestry Fire District, Bradley/Parkfield Land Use Advisory Committee, and the California Division of Oil and Gas. The respective departments/agencies have recommended conditions, where appropriate, to ensure that the project will not have an adverse effect on the health, safety, and welfare of persons either residing or working in the general area. The applicant has agreed to these conditions as evidenced by the application and accompanying materials found in file no. PLN040283 and the conditions found in Exhibit B of this report.

3. **FINDING: SITE SUITABILITY FINDING:** The site is suitable for the use proposed.

EVIDENCE: (a) As provided as evidence for Finding 3 above, the project has been reviewed for site suitability by various local and State agencies. Water Resources requires information on the well, including the geologic log and available e-logs. The South County California Department of Forestry Fire District requires the applicant provide a 10,000-gallon water supply solely for fire protection with approved connections. In addition, Trio Petroleum is subject to the guidelines, supervision, and approval of the State of California Division of Oil and Gas, such as meeting a requirement to truck out of the area any oil and wastewater for disposal at an authorized property or re-injected into the producing formation. Authorized conditions of approval that have been recommended by these agencies have been incorporated.

(b) Technical reports have been provided by Sierra Delta Corporation (SDC), consulting biologists, who conducted a General Biological Assessment on July 28, 2004, and a San Joaquin kit fox and burrowing owl survey for the Porter Estate well site on October 19, 2004. (General Biological Assessment, Bradley Minerals 1-2 Re-Drill; Pre-Construction Survey for San Joaquin Kit Fox/Burrowing Owl at Bradley Minerals 1-2, Re-Drill Site) Based on the site reconnaissance, SDC found the following:

- Two species identified within the NDDDB have a potential to occur on the Project Site, the San Joaquin kit fox and the burrowing owl. During the site reconnaissance, neither species were encountered or observed, nor were signs of their presence encountered or observed on the project site. Based on the site reconnaissance, neither species is expected to occur on or near the Project Site. No significant impact to either species is expected.

- SDC did recommend a pre-construction survey to be conducted and this was done on October 19, 2004. Neither burrowing owl nor kit fox sign or individuals were observed on the project site during this survey. Included in the Biological Assessment, was a survey of the site vegetation. This includes one distinct vegetation community, annual grassland, which is mainly composed of slender wild oats, brome grasses, filaree, and telegraph weed. Rodents and many game and non-game wildlife are in the area. The temporary exploratory well is located in the middle of the annual grass rangeland; there are no physical or environmental constraints such as environmentally sensitive habitats or similar areas that render the site not suitable for the use proposed.
- (c) The project parcel is under a Land Conservation contract (Williamson Act), contract number 71-038. However, mining and drilling are a compatible use on land under contract, if there will be no disruption of the agricultural use of the parcel. The project site is 1.5 acres of a 304.77-acre parcel, and no row crops are being removed and no agricultural uses are being negatively impacted.
- (d) Access has been arranged with the surface owner to utilize an existing dirt road over grazing land.
- (e) While the project has the potential to be visible from Highway 101, a Scenic Corridor, staff considers the short term (6 to 7 months), exploratory well use proposed will not be an aesthetic issue unless commercial quantities of oil and natural gas are found. In the latter case, the applicant will apply to the County of Monterey for a subsequent use permit, which will require mitigation for any environmental impacts, including aesthetic or scenic impacts.
- (f) Employees living temporarily on site will be in a self-contained recreational vehicle.

4. FINDING: ENVIRONMENTAL IMPACT FINDING: The proposed project will not have a significant environmental impact.

EVIDENCE: (a) Section 15304 (e) of the State CEQA Guidelines categorically exempt the proposed development from environmental review. No adverse environmental impacts were identified during staff review of the development application.

(b) Technical reports have been provided by Sierra Delta Corporation (SDC), consulting biologist, who conducted a Kit Fox Survey for the Porter Estate well site on February 8, 2002. Based on the site reconnaissance, SDC found the following:

- This assessment has revealed no sign of kit fox or burrowing owl presence on the project site. Due to the project's nature and location with respect to habitat features, it will have no impact on the kit fox, burrowing owl, or their habitat.
- As stated as evidence under Finding 3 above, the temporary exploratory well is located in the middle of annual grass rangeland; there are no physical or environmental constraints such as environmentally sensitive habitats or similar areas that render the site not suitable for the use proposed.
- A condition of approval requires the applicant restore the temporary drilling site to its predevelopment condition as non-native grassland.

DECISION

THEREFORE, it is the decision of said Zoning Administrator that said application for a Use Permit be granted as shown on the attached sketch, and subject to the attached conditions.

PASSED AND ADOPTED this 18th day of November, 2004.

MIKE NOVO
ZONING ADMINISTRATOR

COPY OF THIS DECISION WAS MAILED TO THE APPLICANT ON

IF ANYONE WISHES TO APPEAL THIS DECISION, AN APPEAL FORM MUST BE COMPLETED AND SUBMITTED TO THE SECRETARY TO THE PLANNING COMMISSION ALONG WITH THE APPROPRIATE FILING FEE ON OR BEFORE

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

NOTES

1. You will need a building permit and must comply with the Monterey County Building Ordinance in every respect.

Additionally, the Zoning Ordinance provides that no building permit shall be issued, nor any use conducted, otherwise than in accordance with the conditions and terms of the permit granted or until ten days after the mailing of notice of the granting of the permit by the appropriate authority, or after granting of the permit by the Board of Supervisors in the event of appeal.

Do not start any construction or occupy any building until you have obtained the necessary permits and use clearances from the Monterey County Planning and Building Inspection Department office in Salinas.

2. This permit expires two years after the above date of granting thereof unless construction or use is started within this period.

**Planning and Building Inspection Department
Condition Compliance & Mitigation Monitoring and/or
Reporting Plan**

Project Name: Porter Estate Co.
File No: PLN040283 **APNs:** 424-081-078-000
Approval by: Zoning Administrator **Date:** November 18, 2004

**Monitoring or Reporting refers to projects with an EIR or adopted Mitigated Negative Declaration per Section 21081.6 of the Public Resources Code.*

<i>Permit Cond. Number</i>	<i>Mitig. Number</i>	<i>Conditions of Approval and/or Mitigation Measures and Responsible Land Use Department</i>	<i>Compliance or Monitoring Actions to be performed. Where applicable, a certified professional is required for action to be accepted.</i>	<i>Responsible Party for Compliance</i>	<i>Timing</i>	<i>Verification of Compliance (name/date)</i>
1.		<p>The subject Use Permit consists of the drilling of one exploratory oil and/or natural gas well with a portable drilling rig for one year, capable of drilling to a depth of 11,000 feet. The portion of the property to be used for locating the portable drilling rig is in Section 2, Township 24 South, Range 10 East (Assessor's Parcel Number 424-081-078) approximately 300 feet north of Jolon Road and approximately 1.5 miles west of the intersection of Highway 101 and Jolon road in the South County Area.</p> <p>This permit was approved in accordance with County ordinances and land use regulations subject to the following terms and conditions. Neither the uses nor the construction allowed by this permit shall commence unless and until all of the conditions of this permit are met to the satisfaction of the Director of Planning and Building Inspection. Any use or construction not in substantial conformance with the terms and conditions of this permit is a violation of County regulations and may result in modification or revocation of this permit and subsequent legal action. No use or construction other than that specified by this permit is allowed unless additional permits are approved by the appropriate authorities.</p> <p>(Planning & Building Inspection)</p>	Adhere to conditions and uses specified in the permit.	Owner/ Applicant	Ongoing unless other-wise stated	

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2.		The applicant shall record a notice that states: "A permit (Resolution 040283) was approved by the Zoning Administrator for Assessor's Parcel Number 424-081-078 on November 18, 2004. The permit was granted subject to 8 conditions of approval that run with the land. A copy of the permit is on file with the Monterey County Planning and Building Inspection Department." Proof of recordation of this notice shall be furnished to the Director of Planning and Building Inspection prior to issuance of building permits or commencement of the use. (Planning & Building Inspection)	Proof of recordation of this notice shall be furnished to PBI.	Owner/ Applicant	Prior to Issuance of grading and building permits or start of use.	
3.		A subsequent use permit will be required to convert the temporary well to a full production well meeting the California Division of Oil and Gas guidelines for oil/gas drilling (Condition no. 3). (Planning & Building Inspection)	Quantity of oil and/or gas found at well site shall be furnished to PBI. A new use permit shall be applied for if commercial quantities of oil and/or gas are found.	Owner/ Applicant	Prior to expiration of temporary Use Permit.	
4.		A condition of approval requires that the site shall be restored to its predevelopment condition as a non-native grassland should there not be found any commercial quantities of oil and gas that would entail a more permanent oil/gas drilling use at the site. (Planning & Building Inspection)	Quantity of oil and/or gas found at well site shall be furnished to PBI. Site shall be restored prior to expiration of use permit, if no extension or subsequent use permit is applied for.	Owner/ Applicant	Prior to expiration of Use Permit or application of new Use Permit.	

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5.		Although the applicant predicts the exploratory well operation will take no more than 6 to 8 months, the permit shall expire in one year from the date that construction begins, with a request to extend the permit at the specific site for a period not to exceed an additional six (6) months. Any request for an extension will be contingent upon no violation of grading, zoning, land use policies or local and state regulations. (Planning & Building Inspection)	Apply to Planning & Building Inspection for extension of Use Permit	Owner/ Applicant	Prior to expiration of Use Permit	
6.		The applicant shall provide the Water Resources Agency information on the well to serve the project including a map showing the well location and any available well logs/e-logs. (Water Resources Agency)	Submit all applicable well information to the Water Resources Agency for review and approval.	Owner/ Applicant	Prior to commencement of use	
7.		Potential fire hazards associated with an oil/gas drilling operation has been reviewed by the South County Department of Forestry Fire District. The Fire District requires a 10,000-gallon water tank within 500 to 1,000 feet from the exploratory drilling site as a safety measure. (South County CDF)	Applicant shall schedule fire dept. clearance inspection	Owner/ Applicant	Prior to final building inspection	
8		A pre-construction survey shall be conducted within 30 days of site disturbance activities if activities have not occurred within the previous 30 days.	Submit results of pre-construction survey to Planning and Building Inspection. Planning and Building Inspection must approve results.	Owner/ Applicant	Prior to site disturbance activities.	

