Ellwood/South Ellwood Decommissioning Project Abandonment Updates

Goleta Town Hall | August 27, 2020

CALIFORNIA STATE LANDS COMMISSION



Platform Holly: Where We Are

- Since our last Town Hall, we completed the lower abandonment in 14 wells using coil tubing. We had 3 wells left to do using this method when all P&A activity was suspended in mid-March due to the Commission and ExxonMobil pandemic response plans.
- Due to the pandemic both the Commission and ExxonMobil determined that further operations for the well P&A on platform Holly was untenable, given the social distancing requirements and continued personnel and idle equipment costs.
- In June, the parties decided to "cold stack" the platform, which means to remove all the rental equipment and remove, secure, and/or preserve all other equipment from the marine environment to prevent degradation.

The Decision to Cold-Stack

- The decision to suspend all operations was based on several factors:
 - the large number of people needed to operate the equipment necessary to safely plug and abandon the wells
 - the difficulty in transporting sufficient personnel on crew boats while physically distancing
 - the relatively small size of the platform, which makes physical distancing difficult
 - the cost of keeping and maintaining the equipment on the platform while the operations are suspended
- The decision was also based on the expectation that the shutdown could last another 6-12 months.

Current Activity

- On July 26, the platform Holly work teams completed the preservation, cold stacking and demobilization of the Holly equipment, and all ExxonMobil and other contract personnel left the platform.
- The Commission and its contractors, Beacon West Energy, will
 continue to staff Holly and the other facilities with a reduced crew in
 order to maintain security, monitor the wells, and to maintain the
 equipment left behind.







Going Forward

Commission staff and ExxonMobil will meet regularly to assess the potential for restarting work based on

- the evolution of the pandemic;
- significant changes to distancing guidelines; and/or
- medical advances in treatment or virus prevention



Ellwood Onshore Facility (EOF)

- No new operations have occurred or are planned at this time.
- A new emergency generator has been installed at the facility.
- Commission staff and its contractor are preparing to have the unused equipment of the facility, taken "out of service."





PRC 421 Piers and Wells



Decommissioning PRC 421 Infrastructure

 The Commission, ExxonMobil and InterAct are proceeding with preliminary work to decommission the PRC 421 piers that are located onshore.

- As discussed at the last town hall, both wells have been completely plugged and abandoned.
- A test for soil removal inside the caissons is planned for September, now that the nesting season is over.

Soil Removal Test

 Workers will clear vegetation on the access road and conduct the soil removal test inside the PRC 421 #2 well caisson (the structure furthest east).

 The test will test a method of soil removal using controlled water pressure to loosen soil which is then removed via suction to

containment bins.

 This method has proven successful in the Aliso Canyon restoration.



Decommissioning – Soil Removal Test

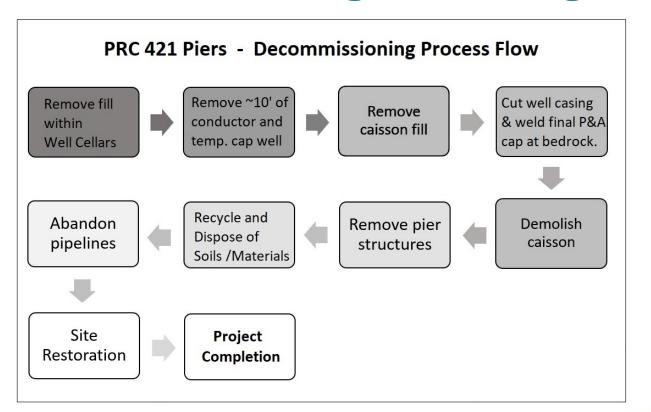
If successful, this method of soil removal from inside the caisson has many advantages over conventional methods:

- Avoids extensive use of heavy equipment within caisson
- Provides better containment during the soil removal
- Can work around internal structures leaving internal caisson structural members intact
- Water pressure may also remove significant hydrocarbons adhered to internal caisson structures as well as in the soil
- Allows for the evaluation of the structural integrity of the caissons and will aid in planning for their removal

Decommissioning - Planning

- Once the determination on the method for soil removal is made, a complete "project description" will be developed to commence the environmental process.
- Commission staff, in cooperation with all interested agencies and the public, will prepare the required environmental document. It is estimated that the process will take about one year to complete.
- The work to completely remove the infrastructure in the surf zone and on the beach is expected to begin in the fall of 2021 at the earliest.
- Deconstruction of the caissons will maximize use of the piers and limit work directly on the beach.

Decommissioning - Planning





THANK YOU

QUESTIONS?

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