



California
STATE LANDS
Commission

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SANTA BARBARA CHANNEL OIL PLATFORM TO BE DECOMMISSIONED

*The State Lands Commission is committed to public and environmental safety
and community engagement*

Sacramento, CA - Today, the State Lands Commission received documents from Venoco, LLC quitclaiming its interests in the South Ellwood Field leases, including Platform Holly and the Goleta Beach Pier leases offshore the City of Goleta, Santa Barbara County.

This effectively ends commercial oil and gas production in state waters at this location in the Santa Barbara Channel and returns operational control of these assets to the Commission. California's Coastal Sanctuary Act prohibits the Commission from issuing new offshore oil and gas leases. The Commission will now begin the process of decommissioning Platform Holly.

"This decision signifies yet another landmark in the evolution of California's energy portfolio in which the Commission has been a key participant," said Lt. Governor Gavin Newsom, who chairs the State Lands Commission. "As President Trump voices his determination to expand oil drilling and twentieth-century energy policies, California is pioneering the sustainable alternative that protects our coastlines and environment while gaining a strong foothold in the future energy and global economy."

The Commission will ensure that the wells and facilities are secured and maintained while it develops a plan, in coordination with local and state regulatory agencies, to efficiently and safely address the disposition of the wells, platform and piers. The process for decommissioning the facilities and plugging and abandoning the approximately 32 wells on state property will be expensive, complex, and lengthy. The Commission is dedicated to a robust, transparent, and collaborative process with the City of Goleta, Santa Barbara County and other local communities and stakeholders in developing a decommissioning plan. Protecting public health and safety and the marine environment is paramount.

The Commission is sensitive to the significant impact this situation has on Venoco employees and contractors, the local economies of the City of Goleta and Santa Barbara County, and the community recipients of Venoco's philanthropy. Venoco has operated the South Ellwood Field since 1997, when it acquired the leases from ExxonMobil. Since then, Venoco has generated approximately \$160 million in state revenue from royalties and rent, without any significant oil spills on state property. The Commission thanks Venoco employees for safely managing the State's oil and gas resources for the past 20 years.

For more information, please see the Commission's Fact Sheet:
http://www.slc.ca.gov/About/News_Room/2017/04-17-17FS.pdf