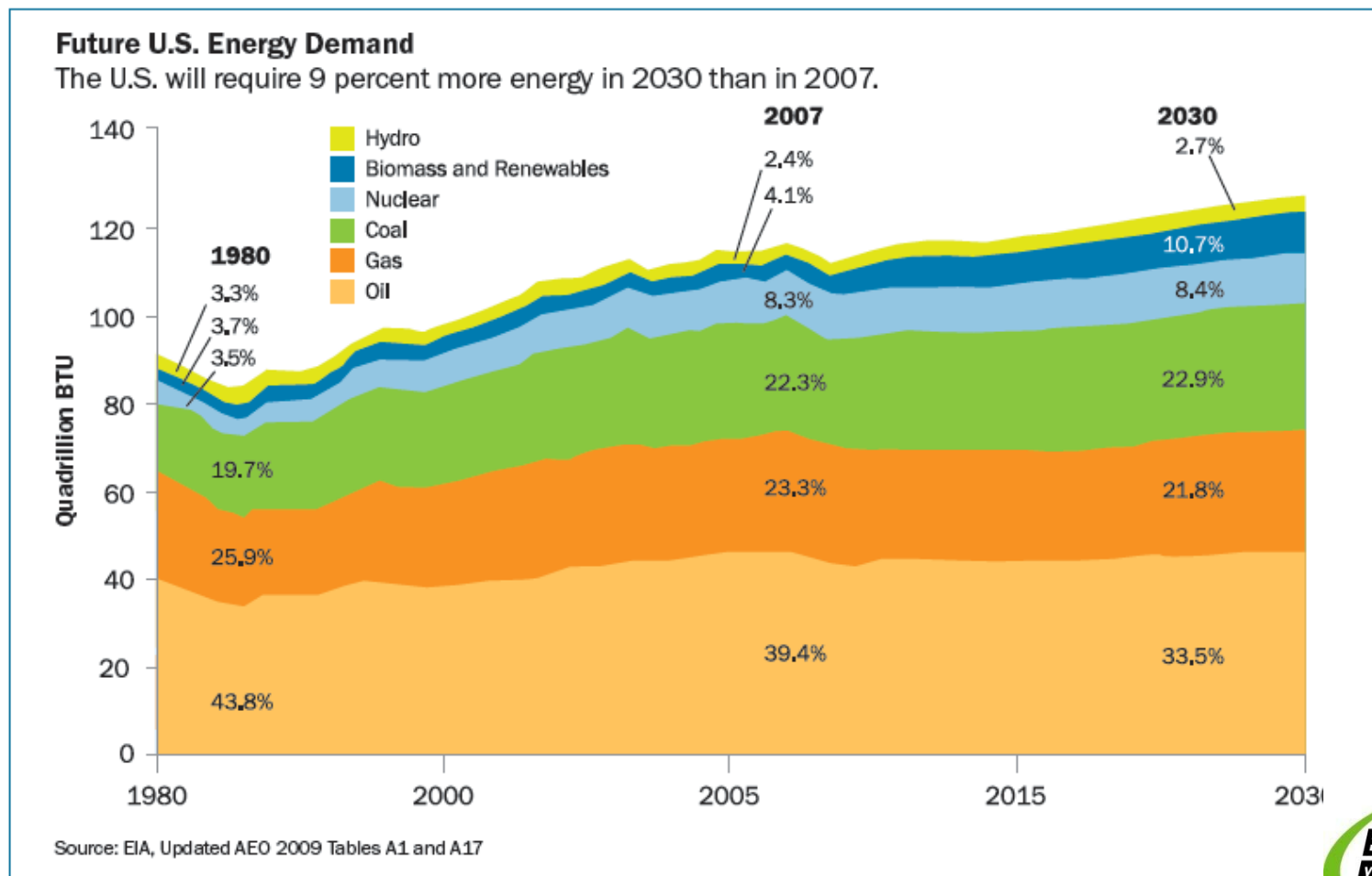


Putting future energy into perspective



The future will require multiple sources/strategies

- Despite drop in demand, the U.S. needs to improve energy security by better utilizing domestic energy supplies
- We can develop U.S. energy safely and with environmental sensitivity
- We must:
 - ✓ Add domestic supplies through greater access
 - ✓ Conserve energy
 - ✓ Use energy more efficiently
 - ✓ Develop alternative and renewable fuels and technologies



Offshore State Resource Proposals & Potential

Jeff Planck
Senior Engineer, CSLC

Potential State Resources

- There are at least 8 proven and undeveloped oil and gas fields in the offshore basins of Southern California
- The total reserve potential of the undeveloped fields and prospects in State waters may range from 500 million to 1.2 billion barrels of oil
- Other “unproven” fields could increase this estimate by 50-100%

Potential State Resources



Potential State Resource Areas

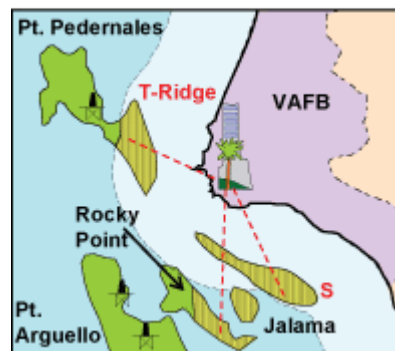
- At least 6 of the 8 undeveloped fields can be reached from available onshore drill sites to develop reserves within State waters off the Santa Barbara and Ventura coast:
 - Tranquillon Ridge (VAFB): 90-200 Million barrels of oil
 - COJO (Gov. Pt.): 110-210 Million barrels of oil
 - Manatee (Gaviota): 100 Million barrels of oil
 - Paredon (Carpinteria): 30 Million barrels of oil
 - West Montalvo (McGrath): 40-90 Million barrels of oil
 - Santa Monica Bay (LA County): 50+ Million barrels of oil

Santa Maria Basin

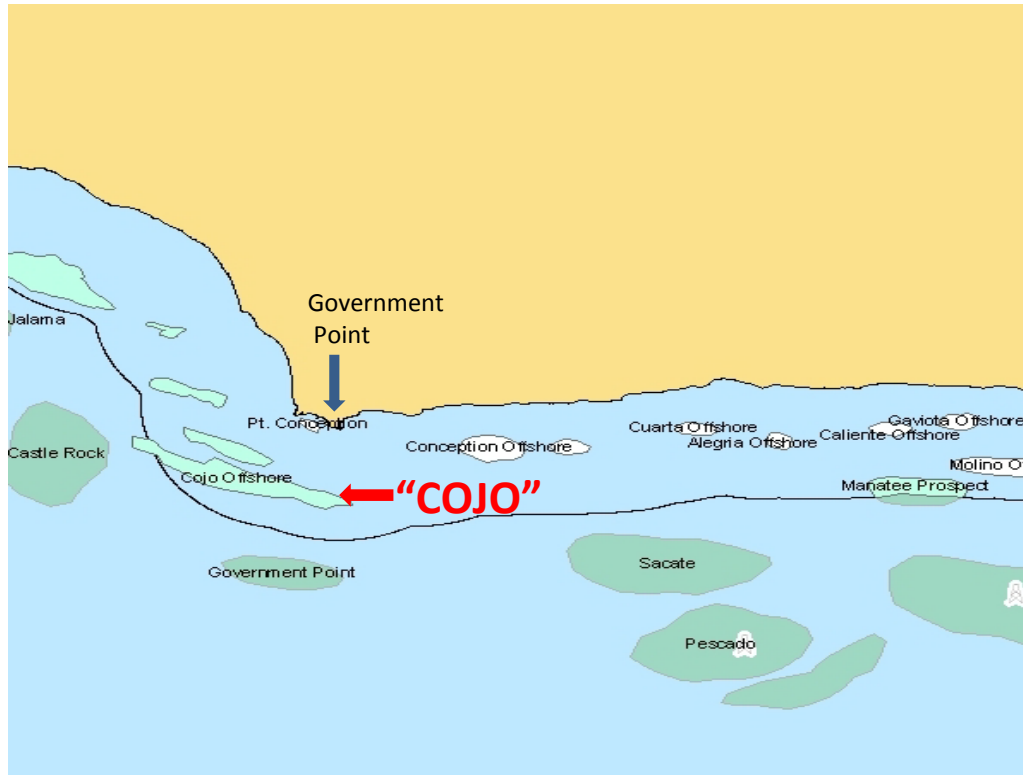
(“North County” Santa Barbara)



- State Resource Areas
 - Tranquillon Ridge (90-200)
 - Sudden Area (Unkown)
- State-OCS Resource Areas
 - Rocky Point (34 MBO)
- All reachable from onshore or federal offshore platforms
- New leases required



North Santa Barbara County



- COJO
 - Onshore Site Available at Government Point (previous site of Federal drilling and production)
 - 110 - 200 MBO
 - New lease required

Carpinteria Area and Ventura County



- **Carpinteria Area Projects**

- Paredon
 - Onshore site
 - 30 MBO
 - Current lease
- Carpinteria Offshore
 - Platform Hogan
 - 20 MBO
 - Current leases
- Ventura
 - Montalvo (40-90 MBO) – currently leased
 - West Montalvo (gas) – would require lease boundary extension

State Prospects and Projects

Field	Offshore Platform available	Onshore Site available	Fed. Drainage Occurring	Published Potential (in Million bbls of oil)
T-Ridge	✓ (Irene)	✓ (VAFB)	✓	90-200
Rocky Pt	✓ (Harvest, et al)	✓ (VAFB)	✓	34
Sudden	✓ (Harvest, et al)	✓ (VAFB)	?	Unknown
COJO	No	✓ (Gov. Pt.)	No	110-210
Manatee	✓ (Hondo-Heritage)	✓ (Gaviota)	?	100
Gato Canyon	(Future / Subsea)	? (Las Flores Cyn?)	No	20 - 30
South Elwood	✓ (Holly)	No	No	200 MBO (incr. 10KB/D)
Paredon	No	✓ (Paredon)	No	30
Carpinteria	✓ (Hogan)		✓	20
Montalvo	✓ (?)	✓	No	40-90

In Sanctuary – would require new leases

Currently Leased

Staff Evaluation Methodology

Greg Scott, CSLC

Chief, Mineral Resources
Management Division

Staff Evaluation of Development Applications

- Consistent with CSLC Mission Statement
- Development projects are reviewed by CSLC staff and evaluated on a case by case basis
- Extensive environmental and engineering review to ensure that the highest standards of public safety and environmental protection are met
- Ensure state resources are protected from inefficient development activities or unauthorized drainage
- Development plans must conform to requirements of affected state, federal, and local jurisdictions

Policy Considerations

Paul Thayer

Executive Officer, CSLC