ExxonMobil Production Company
CORP-WGR-1202
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ExxonMobil Production

May 15, 2014

Santa Ynez Unit
Offshore Power System Reliability-B Project
Application

Ms. Joan Barminski
Regional Supervisor
Office of Strategic Resources, Pacific OCS Region
Bureau of Ocean Energy Management
770 Paseo Camarillo, Mail Stop CM 215
Camarillo, CA 93010-6064

Dear Ms. Barminski:

ExxonMobil Production Company requests approval to replace two existing power cables (Cable A (or B) and C1) with two power cables (Cable A2 (or B2) and F2, located partially in State Lands within State of California Lease PRC 7163.1 with the remainder in the Outer Continental Shelf (OCS), from the Las Flores Canyon (LFC) facilities to Santa Ynez Unit (SYU) Platform Harmony. In addition, the project will install a power cable (Cable G2) from Platform Harmony to Platform Heritage as well as supporting electrical and communication equipment on both platforms. This project, known as the Offshore Power System Reliability-B Project (OPSRB), if approved, will be conducted in the area extending from the southern end of the onshore facilities in LFC to two of the three SYU platforms located in the Santa Barbara Channel on the OCS.

As referenced in the letter sent to ExxonMobil from your office on April 23, 2014, the BOEM determined that, per 30 CFR 550.283 (a)(8), the activities described in the OPSRB Phase 2 constitute a revision to the approved Development and Production Plan (DPP) for the Santa Ynez Unit. In addition, as requested by your office in an e-mail of May 8, 2014, ExxonMobil is submitting this request for approval of the project and issuance of a revision to the SYU DPP.

As discussed with Bureau of Ocean Energy Management and the Bureau of Safety and Environmental Enforcement personnel at several meetings, the OPSRB Project will improve the reliability of the current offshore power distribution system due to continual aging of existing individual circuits, a history of power cable faults in the distribution system, and the obsolescence of offshore switchgear and electrical components. These improvements would be undertaken in several steps. ExxonMobil proposes replacing existing Cable A (or B) that goes from LFC to Platform Harmony with Cable A2 (or B2), which has an improved design. ExxonMobil also proposes replacing Cable C1 from LFC to Platform Heritage, which has experienced two failures since installation in 2003, with Cable F2 from LFC to Platform Harmony and Cable G2 from Platform Harmony to Platform Heritage. The out-of-service Cable A (or B) and Cable C1 would be retrieved in state waters and adjacent to the platforms and recycled to the extent feasible. In addition to the power cables, electrical and communication equipment would be installed at the SYU facilities to provide for the cable connections and improve communication reliability between the platforms and LFC.

ExxonMobil recently provided all of the August 2013 application documents to your office. These documents contain the latest information available on the design and installation aspects of the project. In addition, appropriate conditions and requirements have been incorporated into these documents from those developed for previous SYU power cable installations and repairs. The project description (Attachment A) provides an overview of the project. The execution plan (Attachment B) describes the planned installation approach for the project and also describes several contingency scenarios. The cable specification (Attachment C) describes the construction of the power cables and the fiber optic cores. The cable route map (Attachment D) shows the proposed location of the cables from LFC out to the platforms. The environmental impact analysis (Attachment E) describes the affected environment, potential impacts from installation of the cables and proposed mitigation measures to reduce impacts. The agency contact

information (Attachment F) provides a listing of the various federal, state and local agencies and other entities that have been contacted about this project.

Under the current schedule, the retrieval of the out-of-service cable segments and installation of the replacement cables is expected to begin by late 2014 and continue through 2015 with the marine vessels activities occurring over about a 2 month period during 2Q15 to 3Q2015. In order to secure required contractor commitments for the cable installation vessel and other operations, ExxonMobil is requesting issuance of all discretionary permits before the end of 3Q14.

Overview meetings on this project have been conducted with the following agencies and entities: Bureau of Ocean Energy Management/Bureau of Safety and Environmental Enforcement, California State Lands Commission, California Coastal Commission, Santa Barbara County Planning and Development Department - Energy and Minerals Division, Santa Barbara County Air Pollution Control District and the Joint Oil/Fisheries Liaison Office. In addition, preliminary discussions have been held on this project with the following agencies: National Marine Fisheries Service, U.S. Army Corp of Engineers, U.S. Fish and Wildlife Service, U.S. Coast Guard, California Department of Fish and Wildlife, California State Parks and Regional Water Quality Control Board.

ExxonMobil appreciates the attention that you and your staff continue to devote to this important project. If you have any questions or require additional information, please contact Erik Case (erik.case@exxonmobil.com or by phone at 713-431-1251) or Bill Grady (bgrady@algcorp.com or by phone at 970-356-3856).

Sincerely,

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BG/EC

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