

UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE

PIPELINE RIGHT-OF-WAY PERMIT
PACIFIC OUTER CONTINENTAL SHELF REGION

Permittee: San Pedro Bay Pipeline Company

Permit No. OCS-P 0547

Pipeline: 16" oil

Effective Date: JUN 24 1998

Location: From Platform Elly on Lease
OCS-P 0300, Area Map 6-C, Block 33N
37W, to the State's three geographical mile
line, a distance of approximately 6.4 miles.

1. This Right-of-Way permit is issued pursuant to the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1331 et seq.), and the regulations pertaining thereto (30 CFR 250, Subpart J). The Permittee agrees to comply with all existing regulations, and all future regulations which the Secretary determines to be necessary and proper in order to provide for the prevention of waste and the conservation of the natural resources of the Outer Continental Shelf.

The pipeline Right-of-Way OCS-P 0547 is 200 feet in width for the maintenance and operation of a 16-inch outside diameter oil pipeline from Platform Elly to state waters, a distance of approximately 6.4 miles.

2. The Permittee agrees that if any site, structure, or object of historical or archaeological significance, hereinafter as a "cultural resource", should be discovered during the conduct of any operations within the granted right-of-way, he shall report immediately such findings to the Regional Supervisor, Office of Development, Operations and Safety, hereinafter referred to as the RS, ODOS and make every reasonable effort to preserve and protect the cultural resource from damage until the RS, ODOS has given the Permittee directions with respect to its protection.
3. The Permittee agrees that if any area of biological significance should be discovered during the conduct of any operations within the granted right-of-way, he shall report immediately such findings to the RS, ODOS and make every reasonable effort to preserve and protect the biological resource from damage until the RS, ODOS has given the Permittee directions with respect to its protection.
4. The Permittee agrees to comply with all regulations and conditions as may be prescribed by the Secretary of the Interior, or the Secretary of Transportation including, pursuant to Section 21(b) of the OCS Lands Act, as amended, provisions to assure maximum environmental protection by utilization of the best available and safest technologies. The Permittee also agrees to provide open and nondiscriminatory access to the pipeline to both owner and nonowner shippers.

OIL PIPELINE RIGHT-OF-WAY PERMIT NO. OCS-P 0547

Page 2

5. The Permittee shall maintain the oil pipeline in a good and safe operating condition at all times.
6. The Permittee shall inspect the ocean surface along the pipeline route for leakage a minimum of once every week by boat or aircraft. Records of these inspections with the dates, methods, and results shall be maintained at the field location by the pipeline operator and submitted to the RS, ODOS, annually by April 1.
7. The Permittee shall conduct external and internal inspections in alternating years or as prescribed by the RS, ODOS, by a third party, within an interval not to exceed thirteen months, on the oil pipeline (i.e. external - April 1998, internal - April 1999, external - May 2000).
8. Inspection plans are to be submitted to the RS, ODOS by the pipeline operator for approval a minimum of 30 days before the survey is conducted.
9. Records of the inspections with results shall be maintained at the field location and submitted to the RS, ODOS within 60 days after the actual survey is conducted. If a pipeline safety or commercial fishing hazard is found to exist, a report detailing the problem must be submitted along with the records.
10. External surveys shall be conducted using a ROV with video and sonar, a high- or ultra-high resolution Side Scan Sonar (SSS), or other method acceptable to the RS, ODOS to identify burial conditions, protrusions, structural integrity, damage, or corrosion to the pipeline. The external survey should include inspection of the pipeline risers and riser clamps; any grout bags, spans, debris or any other object which might constitute a pipeline safety concern or hazard to commercial fisherman or other users; identification of any weight or any other coating damage; identify any third party activity, such as anchor scars; observations of the rectifiers or anodes; and visual inspection above the splash zone. Videotape recordings must be traceable to survey map coordinates. Also, SSS shall be used at least once every 6 years as an external survey.

ROV mounted video systems should be functionally suitable for prevailing visibility conditions. The use of black and white video should be considered as it may perform better than color for many engineering surveillance objectives when high levels of back scatter are present.

11. The final report for the external survey shall be submitted in duplicate with an additional copy on disk, if available, and include a tabulated description of all aspects of the survey and their location given as lambert/UTM, latitude and longitude (decimal degrees) and Loran "C". The report shall be accompanied by maps of the surveyed pipeline indicating locations of burial conditions, spans, debris, any grout bags, coating damage, anode along the pipeline

OIL PIPELINE RIGHT-OF-WAY PERMIT NO. OCS-P 0547

Page 3

route, with exact locations of problem areas. The final report shall include an original of the annotated video tape with all objects which might constitute a pipeline safety concern or hazard to commercial fisherman or other users. One digital copy of maps on floppy disc(s) in cad, dwg, dxf, or dxt format are to be provided with the report.

12. Internal surveys shall be conducted to identify corrosion and/or damage using a internal "smart" pig survey tool approved by the RS, ODOS. One copy of the survey logs shall be submitted along with the results. Additionally, one copy of any software to analyze the survey and any digital data is to be included with the report of the survey results.
13. The Permittee shall send a Notice to Mariners containing information on the survey be published at least 30 days before conducting any external survey operation.
14. For continuity, pipelines entering State waters should be internally and externally inspected, including rectifiers or anodes, as far as possible towards shore when conducting inspection procedures.
15. The Permittee shall visually inspect the oil pipeline upon the report of any equipment being dropped overboard which might damage a pipeline or construction occurring within its vicinity and a report submitted to the Camarillo District Supervisor describing the incident and the results of the investigation.
16. The Permittee shall inspect the pipeline protected anodes annually within an interval not to exceed thirteen months by taking measurements of pipe-to-electrolyte potential measurements. Records of these inspections with results and conclusions are to be submitted annually with the internal or external survey report.
17. It is requested that the Permittee to submit to the RS, ODOS, a copy of the results of inspections required by other regulatory agencies, if they are in addition to MMS requirements.
18. Any changes, additions, deletion to any equipment on the permitted pipeline must be made only with express written approval of the RS, ODOS.
19. The Permittee agrees to maintain the pipeline to be compatible with fishing and shipping.

OIL PIPELINE RIGHT-OF-WAY PERMIT NO. OCS-P 0547

Page 4

Thomas W. Dunaway
 Thomas W. Dunaway
 Regional Supervisor
 Development, Operations and Safety
 Minerals Management Service
 Pacific OCS Region

Date: 6/25/98

San Pedro Bay Pipeline Company
 hereby agrees to be bound by the foregoing.

[Signature]

Date: June 4, 1998

Monterey Resources Inc.
 hereby agrees to be bound by the foregoing.

[Signature]

Date: 6/22/98

Samedan Oil Corporation
 hereby agrees to be bound by the foregoing.

[Signature]

Date: 6/10/98
 Dan O. Dinges
 Senior Vice President
 Division General Manager

ATTEST:

[Signature]
 Orville Walraven, Secretary

7/90

SUTTER 12/90

Noble 1/90

[Signature]

[Signature]

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

No. 5907

State of CaliforniaCounty of KernOn June 4, 1998 before me, Paula Peterson, Notary Public

DATE

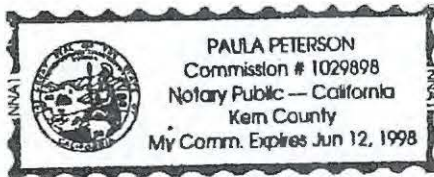
NAME, TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared E. J. Voiland

NAME(S) OF SIGNER(S)

☒ personally known to me ~~OR~~ ☐ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are
 subscribed to the within instrument and ac-
 knowledged to me that he/she/they executed
 the same in his/her/their authorized
 capacity(ies), and that by his/her/their
 signature(s) on the instrument the person(s),
 or the entity upon behalf of which the
 person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Paula Peterson
 SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- ☐ INDIVIDUAL
☐ CORPORATE OFFICER

TITLE(S)

- ☐ PARTNER(S) ☐ LIMITED
☐ GENERAL
☐ ATTORNEY-IN-FACT
☐ TRUSTEE(S)
☐ GUARDIAN/CONSERVATOR
☐ OTHER: _____

SIGNER IS REPRESENTING:
 NAME OF PERSON(S) OR ENTITY(IES)

DESCRIPTION OF ATTACHED DOCUMENT

TITLE OR TYPE OF DOCUMENT

NUMBER OF PAGES

DATE OF DOCUMENT

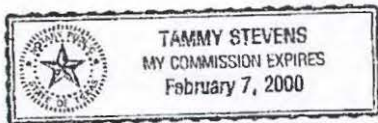
SIGNER(S) OTHER THAN NAMED ABOVE

STATE OF TEXAS

COUNTY OF HARRIS

On this 10th day of June, 1998, before me appeared Dan O. Dinges, to me personally known, who, being by me duly sworn, did say that he is the Senior Vice President, Division General Manager, of SAMEDAN OIL CORPORATION, a Delaware corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors and said appearer acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Tammy Stevens
Notary Public