



United States Department of the Interior
BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT
PACIFIC OCS REGION
760 Paseo Camarillo, Suite 102
Camarillo, CA 93010-6064

NOV 27 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Todd R. Cantrall
Vice President
Freeport-McMoRan Oil & Gas LLC
700 Milam, Suite 3100
Houston, TX 77002

Subject: Request for More Than 180 Days to Resume Operations, Point Arguello Unit and the Eastern ½ of Lease OCS-P 0451

Dear Mr. Cantrall:

On September 8, 2016 Freeport-McMoRan Oil & Gas LLC (FMOG) submitted a request in accordance with 30 CFR 250.180(e) to allow FMOG more than 180 additional days to resume operations for the Point Arguello Unit. Specifically, this request asked for 365 days of additional time in order to resume operations.¹ On November 9, 2016, the Bureau of Safety and Environmental Enforcement (BSEE) approved this request until midnight November 26, 2017 which included Point Arguello Unit leases OCS-P 0315, 0316, 0450, and 0451, as well as the Eastern ½ of Lease OCS-P 0451, which is not in the Point Arguello Unit. An extension request was submitted on August 18, 2017 and was granted by the BSEE on October 25, 2017, permitting the waiver to 30 CFR 250.180(d) to continue until midnight November 26, 2018.

An extension request to the last approved waiver has not been received by the BSEE nor has FMOG notified the BSEE of any qualifying operations on the leases. Therefore, in accordance with 30 CFR 250.180(d), and the terms of the approved waiver, the BSEE has determined that the leases comprising the Point Arguello Unit, leases OCS-P 0315, 0316, 0450, 0451 and the Eastern 1/2 of lease OCS-P 0451 have expired by operation of law on 12:00 am November 27, 2018.

This decision may be appealed pursuant to 30 CFR Part 29. A Notice of Appeal must be filed with this office and served with the Associate Solicitor, Division of Mineral Resources within 60 days of receipt of this letter.

¹ For these purposes, "operations" means "drilling, well-reworking, or production in paying quantities." 30 CFR 250.180(a)(2).

If there are any questions with this matter please contact Nathan Sinkula at 805-384-6366 or John Bain at 805-384-6376.

Sincerely,



Bruce H. Hesson, P.E.
Acting Regional Supervisor
Office of Production and Development

Enclosure

cc: Alison Dettmer, Deputy Director, California Coastal Commission

Marina Voskanian, Chief, California State Lands Commission, Mineral Resources
Management Division

John Zorovich, Deputy Director, Energy & Minerals Division-Planning & Development,
County of Santa Barbara