

1.0 EXECUTIVE SUMMARY

1.1 Objectives

The main object of this study was to focus specifically on the equipment, specifications and technology requirements of the offshore California oil and gas industry, in relation to export opportunities for Canadian industry.

The following report seeks to outline current and future activities in the Diatomite Region of Coastal Southern California, identifying key companies and contacts with respect to design, specification and buying decisions. Evaluation of market potential for Canadian drilling equipment and technology was based on Schedule '1' provided by the Department which is included, in expanded form, in Appendix 'I'.

1.2 Purpose of Study

- . To provide interested organizations and exporters with a practical working document upon which to base a corporate export strategy.
- . To provide a detailed information base with which the Canadian Government may assist industry with export initiatives.

1.3 Introduction

The main areas of offshore activity are in the Santa Maria Basin, the Santa Barbara Channel, and off Long Beach in San Pedro Bay, all as indicated on the adjoining sketch maps. Additional information on individual platform deployment is also provided, giving up-to-date locations of proposed, installed and producing rigs.

Further supplementary information on the Offshore Industry and Onshore Facilities is provided in Appendix 'A', together with details on Active Leases, Fields, Units, Platforms and Operators issued in Sept., 1983, by the U.S. Department of the Interior - Minerals Management Service. This has also been updated to reflect recent developments. In addition, for general reference and guidance, Appendix 'B' provides details of Active and Inactive Leases together with Bathymetric Information issued in Sept., 1983, by the U.S. Department of the Interior - Minerals Management Service.

Crude oil production, offshore California, is mainly from the Monterey formation which, on average, is about 1000 ft. thick and 8000 ft. below mud-line. This formation is highly fractured dense rock with limited matrix permeability having significant effect on recovery techniques required.