

Oil company plans to drill 481 new wells at Price Canyon oil field

David Sneed, San Luis Obispo Tribune, 3-28-16

CORRECTION: The original version of this story incorrectly reported the daily amount of water the facility's water treatment plant can produce.

For most residents of San Luis Obispo County, their only exposure to the Price Canyon oil field is fleeting glimpses of the bobbing heads of oil pump rigs and the occasional smell of rotten eggs as they speed past the field on Price Canyon Road.

But that may change. The owners of the 110-year-old oil field have plans to enter into a new era of oil production — one that could triple the number of active oil wells in coming years.

“This is not a new operation,” said John Martini, director of government affairs for oil field owners Freeport-McMoRan Oil and Gas of Houston. “There’s not a lot of mystery about how much oil is underground.”

But the expansion has raised alarm among neighbors who are worried that the controversial practice of injecting highly contaminated wastewater back into the ground could endanger their domestic water wells.

“When I look into it, I see a lot of room for human error,” said Natalie Beller, who lives near the oil field and relies on a domestic well for her family’s water. “I just want to make sure our precious water supply is protected.”

Oil field today

The oil field is a sprawling facility on 1,480 acres of rolling oak woodland, chaparral and sandstone outcroppings on both sides of Price Canyon Road at Ormonde Road, halfway between San Luis Obispo and Pismo Beach. The field is also called the Arroyo Grande oil field.

Dozens of drill pads are spread throughout the field. These contain clusters of oil pumping rigs and water injection wells.

The oil rigs are a mixture of older conventional pumping units — the familiar bobbing-head wells called pumpjacks — and newer, more compact rigs called linear rod pumps that have no visible moving parts.

The field sits atop an ancient bowl-shaped geologic feature that contains billions of gallons of water with some oil mixed in. Many sandstone outcroppings within the field are stained with dripping oil.