

**RESOURCE OPPORTUNITY GROUP, LLC  
P.O. BOX 1317  
SANTA MONICA, CA. 90406-1317**

May 12, 2008

Mr. Joseph Edmiston, Executive Officer  
Baldwin Hills Regional Conservation Authority  
5750 Ramirez Canyon Road  
Malibu, CA. 90265

**PROPOSAL FOR SERVICES**

Dear Mr. Edmiston:

The Baldwin Hills Regional Conservation Authority (BHRCA) is approaching several important milestones in its endeavor to further the creation of a world-class regional park accessible to millions of residents in the urban area of West Los Angeles.

Recent successes in land acquisitions, the multitude of opportunities presented by the County's current effort to implement a local Community Standards District (CSD) over the Inglewood Oil Field and the potential to realize an enhanced revenue stream to support the agency's future activities suggest that the agency consider various options in shaping its future role in the Baldwin Hills.

Pursuant to your request, Resource Opportunity Group LLC (ROG) is pleased to submit the following proposal for services for your consideration. This proposal is comprised of two components:

- 1) A Short Term Study that will suggest guidelines and proposals for integrating a landscaping plan within the proposed Baldwin Hills CSD;
- 2) A Long Range Study that will offer concrete suggestions and opportunities for integration of BHRCA activities and collaboration with oil field operations in an effort to consolidate surface infrastructure to facilitate future public access and use.

These two components will encompass work products provided by three sub-contractors:

- Mia Lehrer and Associates, Landscape Architecture
- Evans and Walker, Consulting Petroleum Engineers
- GreenInfo Network, Mapping and GIS

## **Scope of Work – Short Term Study:**

### **Mia Lehrer and Associates, Landscape Architecture:**

Mia Lehrer and Associates will develop Guidelines for the use of planting and landscape materials to provide visual screening and erosion control mitigation in disturbed and steeply sloped areas.

Screening materials will be used to mitigate negative views of oil field operations from sensitive land uses and public view points. The Guidelines will be based on GIS viewshed studies and topography mapping provided by the County of Los Angeles and GreenInfo Network.

The landscape portion of the Guidelines will include a description of proposed requirements to utilize planting and other landscape materials to screen views of equipment in the oil field except for injection wells. Screening materials will include trees, fencing and other materials to improve visual quality. The Guidelines will also include:

- Description of proposed requirements to use trees, shrubs and ground cover;
- Description of erosion and sediment control in areas with steep slopes that are currently unstable;
- Description of proposed requirements to re-vegetate areas as they are decommissioned;
- Outline of maintenance and monitoring requirements for planting areas to insure successful growth;
- Preliminary plant list;
- Section drawings illustrating planting concepts, and grading recommendations
- Plan drawings and planting concepts.

It is anticipated that these tasks will be completed in time to be included within the Baldwin Hills CSD as proposed to the Planning Commission in early July, 2008.

## **Scope of Work - Long Range Study:**

### **Mia Lehrer and Associates, Landscape Architecture:**

The CSD guidelines will be expanded with greater detail to provide more specific required screening, planting, irrigation and soil preparation requirements. Adjacencies to existing park uses and future access provided by oil field consolidation will be studied. Environmentally friendly strategies for habitat connections and soil remediation such as wildlife corridors and phyto-remediation will be considered. Mitigation will include the development of guidelines for site wide visual improvements through the development of landscape buffer areas and re-vegetation areas. Fencing and other infrastructure elements will also be addressed and may include equipment and building color schemes as visual enhancements. Irrigation recommendations will address irrigation water sources, water quality criteria and equipment recommendations. Soil studies will include the investigation of existing soil types and measures required to create appropriate planting medium for re-vegetation and landscape buffer areas.

The landscape portion of the Work will include:

- Work with the Design Team to evaluate consolidation strategies.
- Prepare diagrams of opportunities afforded by the consolidation of the oil field equipment.
- Assist the BHRCA in the evaluation of consolidation options for most beneficial value to existing and potential park and recreation uses.
- Development of landscape buffer concepts based on GIS viewshed studies and topography mapping provided by the County;
- Concept refinement utilizing planting and other landscape materials to screen views of active equipment in the oil field except for injection wells;
- Refined concepts for the use of trees, shrubs and ground cover materials to provide erosion and sediment control in areas with steep erodible slopes;
- Park adjacency and access studies based on consolidation options;
- Proposed requirements for the re-vegetation of areas as they are decommissioned;
- Refined plant list and typical planting details;
- Recommended palette of landscape materials,
- Refined maintenance and monitoring requirements for planting areas to insure successful growth;
- Section drawings illustrating planting and grading concepts;
- Plan drawings and planting concepts;
- Photographic collages and sketch up models to illustrate concepts.

### **Evans and Walker, Consulting Petroleum Engineers:**

Provide petroleum engineering services to the BHRCA related to implementation of the Baldwin Hills Park Master Plan / Baldwin Hills Community Standards District.

- Review draft Environmental Impact Report covering the Baldwin Hills Community Standards District;
- Review “One Big Park Concept” found in Figure 18 of the Baldwin Hills Park Master Plan;
- Prepare notes and comments on CSD EIR mitigation measures that might (positively or negatively) impact implementation of the “One Big Park Concept”;
- Develop financial model for cash flow associated with various levels of a per barrel fee associated with Inglewood field oil and gas production;
  - a) Create base case oil and gas production curves based on current production and historical production decline.
  - b) Obtain raw data used to create future high case oil production curves found in the CSD EIR.
  - c) Develop product price forecasts (oil and gas) based on current market conditions.
  - d) Utilize data obtained in steps (a) and (b) to develop base case and high side forecasts of BHRCA revenue associated with various levels of fees (0.1% to 1.0%).
  - e) Propose a fee structure based on results of steps (a), (b), (c) and (d).
- Propose an allocation of future fee revenue determined in step (e) into three categories:
  - BHRCA operating expenses;
  - Funds available for use by BHRCA to purchase land, royalties, wells needed to accelerate implementation of the “One Big Park Concept” and
  - Funds available for use by PXP to accelerate abandonment / relocation / best available control technology projects related to implementation of the “One Big Park Concept”.
- Assist the BHRCA with valuation work and other engineering services needed to flesh out and implement the ideas discussed above.
  - Complete well-by-well valuations for all leases with some / all wells located west of La Cienega (and other wells as needed and directed by BHRCA). This step is time / cost intensive, but would be scaleable into an accurate field wide valuation model that would be more accurate and easier to update than the existing “shallow / deep well models”.
  - Coordinate with park design professionals to group wells into acquisition targets, and apply values to acquisition targets based on work completed in step (a) above.
  - Work with PXP as needed and directed to brainstorm environmental projects that would lead to reductions in green house gasses (and associated sources of nuisance odors.

## EXHIBIT A

### **Sub-Contractor Cost Proposal:**

Mia Lehrer and Associates – Short term study	\$ 5,000.00
Mia Lehrer and Associates – Long range study	25,000.00
Evans and Walker - Long range study	23,000.00
GreenInfo Network - Production materials	<u>4,000.00</u>

**Total Sub-Contractor Cost Proposal** \$ **57,000.00**