

MINUTE ITEM

22. APPLICATION FOR CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, TEXACO INC., OIL AND GAS LEASE P.R.C. 2206.1, OFFSHORE SANTA BARBARA COUNTY - W.O. 3414.

After consideration of Calendar Item 29 attached, and upon motion duly made and unanimously carried the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE LOCATION AND CONSTRUCTION BY TEXACO INC. OF A PYLON-SUPPORTED DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 8,000 FEET FROM SHORE WITHIN THE AREA OF OIL AND GAS LEASE P.R.C. 2206.1, SUBJECT TO THE CONDITION THAT A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 IN FAVOR OF THE STATE OF CALIFORNIA SHALL BE FILED AND MAINTAINED WITH THE STATE TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE IN THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND THE REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 2206.1.

Attachment

Calendar Item 29 (1 page)

CALENDAR ITEM

29.

APPLICATION FOR CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, TEXACO INC., OIL AND GAS LEASE P.R.C. 2206.1, OFFSHORE SANTA BARBARA COUNTY - W.O. 3414.

An application has been received from Texaco Inc., joint lessee and operator under State Oil and Gas Lease P.R.C. 2206.1, for approval of the construction of a stationary pylon-supported drilling and production platform, approximately 8,000 feet from shore within the lease area, in the vicinity of Sacate.

A platform design has been developed by Moffatt & Nichol, Consulting Engineers, and has been reviewed by the staff. The size and location of the proposed drilling and production platform are in accordance with the terms of the lease and the rules and regulations of the State Lands Commission. Under the code-name procedure adopted by the oil industry and the U. S. Coast Guard, it is proposed to name the offshore platform "Helen".

The plans for placement of the proposed offshore structure were referred to the Department of Natural Resources; and the application was referred to the office of the Attorney General for review as required by Section 6818 of the Public Resources Code.

After examination and review, the Department of Natural Resources reported that erection of the platform will not interfere with the recreational use of lands littoral to the tide and submerged lands covered in the lease.

The office of the Attorney General advised that there is no legal objection, provided specified requirements of the Code are met. These requirements are included in the terms of the lease, the rules and regulations of the Commission, and Section 3606 of the Public Resources Code. The Corps of Engineers has issued a Department of the Army permit authorizing the construction and maintenance of the drilling and production platform at the specified location.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE LOCATION AND CONSTRUCTION BY TEXACO INC. OF A PYLON-SUPPORTED DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 8,000 FEET FROM SHORE WITHIN THE AREA OF OIL AND GAS LEASE P.R.C. 2206.1, SUBJECT TO THE CONDITION THAT A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 IN FAVOR OF THE STATE OF CALIFORNIA SHALL BE FILED AND MAINTAINED WITH THE STATE TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE IN THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND ITS REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 2206.1.