

MINUTE ITEM.

This Calendar Item No. 38
was approved as Minute Item
No. 38 by the State Lands
Commission by a vote of 3
to 0 at its 10:29:77
meeting.

CALENDAR ITEM

38.

10/79
W 9668.8
Willard

AUTHORIZATION TO CONDUCT HEARINGS ON
PROPOSED REGULATION FOR DRILLING
AND PRODUCTION OPERATIONS ON STATE
TIDE AND SUBMERGED LANDS

Following the well blowout in January 1969 on Federal submerged lands in the Santa Barbara Channel, the State Lands Commission imposed a moratorium on new drilling on State-controlled offshore lands. The moratorium was to remain in effect until the State had completed a review of all offshore drilling regulations, techniques and procedures.

In December 1974, the Commission authorized (1) the adoption of procedures for drilling and production operations from existing platforms, piers and islands on offshore leases and (2) the resumption of drilling operations on a lease-by-lease basis, such resumption to be predicted upon a review by the staff for compliance with the procedures, compliance with the requirements of CEQA and upon final approval by the State Lands Commission.

The Commission has authorized the resumption of drilling operations from existing facilities on 14 offshore leases.

The procedures adopted by the Commission in 1973 were limited to drilling operations from existing facilities and did not cover operations from a mobile drilling vessel.

Further exploration and development of State offshore leases will require the use of mobile drilling units. Several applications for the resumption of drilling operations using this method are currently pending. The Commission staff is currently modifying the procedures to provide for these operations. They include well casing requirements, blowout prevention and equipment, drilling fluid program, drilling practices and contingency plans, inspection program, plugging and abandonment procedures, completion practices, waste disposal, pollution control and removal equipment, critical operations and curtailment plans and geological hazard data.

The Commission staff will draft the modified procedures so that they will be appropriate for Commission adoption as California Administrative Code regulations. The Commission staff therefore proposes that the procedures be published

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as draft regulations and that the Commission authorize the Executive Officer to receive public comment thereon. The staff would report recommendation for final adaption of regulations at the Commission's meeting in February, 1980.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE HOLDING OF PUBLIC HEARINGS FOR THE PURPOSE OF SOLICITING PUBLIC COMMENTS ON THE DRAFT REGULATIONS CONCERNING EXPLORATION AND DEVELOPMENT OF STATE OFFSHORE LEASES.