

MINUTE ITEM

This Calendar Item No. 39
was approved as Minute Item
No. 39 by the State Lands
Commission by a vote of 3
to 0 at its 10-29-79 CALENDAR ITEM
meeting. 39.

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W 40071
Willard

MODIFICATION OF FACILITIES ON PLATFORM "HOPE AND HEIDI" PRC 3150.1

Chevron U.S.A., Inc. has made application to the State Lands Commission for approval to modify existing facilities on Platforms "Hope" and "Heidi" located on State Oil and Gas Lease PRC 3150.1 and at the onshore processing facility at Carpinteria, Santa Barbara County. The tide and submerged lands involved have been legislatively granted to Santa Barbara County and the City of Carpinteria.

The purpose of these modifications is to accommodate the Oil and Gas production from Chevron's Santa Clara Unit in the Federal OCS lands. Pipelines will be installed to deliver oil and gas from Platform "Grace", in the Santa Clara Unit, to Platform "Hope" on State Lease PRC 3150.1. Facilities will be provided to meter, sample and account for the State's royalty production of gas produced on "Hope" whereupon the State's gas will be commingled with the incoming federal gas and shipped to shore through the existing pipeline connecting "Hope" to the onshore processing plant at Carpinteria. Compressors will be on "Hope" and "Heidi" to continue gas-lift operations and release an existing gas-lift pipeline between "Hope" and shore for use in transporting the federal oil from "Hope" to shore. No crude oil would be commingled before sale at the onshore facility.

Staff has reviewed the proposed modifications and is of the opinion that operations will be conducted in accordance with the Commission's rules and regulations and good engineering practices. The cooperative use of the facilities on State leases will minimize the environmental impact of the delivering needed oil and gas from the federal OCS leases.

An EIR covering the installation of the pipelines connecting Platforms "Grace" and "Heidi", the modifications to "Hope" and "Heidi" and the alterations to the onshore processing facility was prepared by the County of Santa Barbara and the South Central Coastal Regional Commission as co-lead agencies. The final EIR was certified by the County and the Coastal Commission on April 12, 1979.

A significant mitigation measure included in the project will be the requirement that Chevron construct an onshore

A 29, 35
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CALENDAR PAGE	217
MINUTE PAGE	2162

CALENDAR ITEM NO. 39. (CONTD)

pipeline from the Carpinteria plant to existing lines at Rincon, Ventura County. When this pipeline is completed the crude produced from all Chevron's State leases (3) and the Santa Clara Unit would be transported via an onshore pipeline leaving the marine terminal facility at Carpinteria for use on an emergency basis.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS BEEN PREPARED FOR THIS PROJECT BY THE COUNTY OF SANTA BARBARA AND THE SOUTH CENTRAL COAST REGIONAL COMMISSION.
2. CERTIFY THAT THE INFORMATION CONTAINED IN THE EIR HAS BEEN REVIEWED AND CONSIDERED BY THE STATE LANDS COMMISSION.
3. AUTHORIZE APPROVAL OF MODIFYING FACILITIES ON PLATFORMS "HOPE" AND "HEIDI" LOCATED ON STATE OIL AND GAS LEASE PRC 3150.1 AND AT THE ONSHORE PROCESSING FACILITY AT CARPINTERIA SUBJECT TO THE EXPRESS CONDITION THAT ROYALTY PAYMENTS ON ALL STATE NON-OIL PRODUCTS SHALL BE BASED ON THE MEASUREMENTS AND SAMPLES TAKEN ON PLATFORM "HOPE".