

MINUTE ITEM

10/10/81
C 8153
W 4185
Brown

53. AUTHORIZE TO EXECUTE CONTRACT WORK, POINT CONCEPTION
DATA ACQUISITION.

Calendar Item 53 attached was pulled from the agenda prior
to the meeting.

Attachment: Calendar Item 53.

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(Non-substantive revision 6/8/82)

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CALENDAR ITEM

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10/30/81
C 8158
W 40185
Brown

AUTHORITY TO EXECUTE CONTRACT WORK
POINT CONCEPTION DATA ACQUISITION

CONTRACTOR: Western Geophysical Company
of America

SERVICE: Provide deep seismic geophysical data to
be used in resource evaluation at Point
Conception.

CONTRACT TERM: From execution to March 30, 1982.

COST: Total allowable cost for services rendered
under this contract shall not exceed \$100,000.

AB 884: N/A.

ADDITIONAL INFORMATION:

This contract is a continuation of the resource evaluation studies initiated in the 1980-81 fiscal year to determine oil and gas potential on approximately 40,000 acres of tide and submerged lands between Point Conception and Point Arguello in Santa Barbara County. Initial efforts were to acquire existing "off-the-shelf" seismic studies and determine what further studies were necessary. This contract will provide for a geological survey to fill in data gaps identified in the previously acquired information. These data will be used to identify geological structures most favorable for oil and gas exploitation.

The firm of Western Geophysical Company of America has been selected as sole source for this contract. An industry survey indicated that the price offered is competitive. The need for sole source award of the contract is the availability for firms to perform the data acquisition and cost due to the nature of the work.

Western Geophysical will be performing other seismic studies as a subcontractor

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on another Commission contract in the area. The work to be performed on both contracts is charged on an hourly rate including any weather and equipment downtime and running time to and from the site; a standard industry practice. To do the work as two separate projects would duplicate the "dead" time associated with running to and from the site and increase the risk of weather and equipment downtime. Further, the availability of firms to perform such work is extremely limited due to the current level of exploration activity worldwide. The current contract timetable had to be extended because of Westerns or any other firms' availability to perform the work. To not take advantage of this opportunity would seriously delay the project and assuredly increase costs to the State.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE EXECUTION OF A CONTRACT WITH WESTERN GEOPHYSICAL COMPANY OF AMERICA TO PERFORM SEISMIC DATA ACQUISITION IN AN AMOUNT NOT TO EXCEED \$100,000.