

MINUTE ITEM

This Calendar Item No. 44  
was approved as Minute Item  
No. 44 by the State Lands  
Commission by a vote of 3  
to 0 at its 12/17/81  
meeting.

CALENDAR ITEM

12/17/81  
P 8161  
P 2198  
P 2207  
Bernino

44

AUTHORIZATION TO CONTRACT FOR THE  
PREPARATION OF AN EIR FOR  
POTENTIAL RESUMPTION OF DRILLING ON  
FORMER STATE OIL AND GAS LEASES P 2198 AND P 2207  
SANTA BARBARA CHANNEL, SANTA BARBARA COUNTY

On June 29, 1979, the Department of the Interior held OCS Lease Sale No. 48. Included in this sale were several parcels which received very large bids and are located in the vicinity of unleased State-owned submerged lands in the Santa Barbara Channel near Pt. Conception. These parcels were formerly leased under State Lease P 2198 and P 2207. Federal Lease P 0318 which is located in close proximity of the State parcels received a bid in excess of \$53 million or \$37,280 per acre. These OCS leases were issued with a flat 16 2/3 percent royalty.

P.R.C. Section 6871.3 provides a relevant part: "Whenever it appears to the Commission that it is for the best interest of the State to lease lands subject to the provisions of Sections 6871.1 or 6877 of this Code for the production of oil and gas therefrom, the Commission may, subject to the provisions of Section 6871.4 offer the same for bidding at such times and such parcels as the Commission shall determine to be in the best interests of the State."

It cannot be determined at this time that it is in the best interest of the State to lease these lands for oil and gas development.

An EIR has not been completed. The State Lands Commission will serve as the Lead Agency in the preparation of the EIR. In this regard staff proposes to: (1) issue a Request for Proposal (RFP) for the preparation of an EIR; (2) to determine the best qualified consultant to prepare such a report; (3) execute a contract for such services; and (4) to provide for the reimbursement, by the successful bidder to the State, of staff and consultant costs associated with this environmental analysis.

AB 884: N/A.

EXHIBITS: A. Site Map.  
B. Site Map.

A 35

S 18

-1-

CALENDAR PAGE	232
MINUTE PAGE	2888

CALENDAR ITEM NO. 44 (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION:

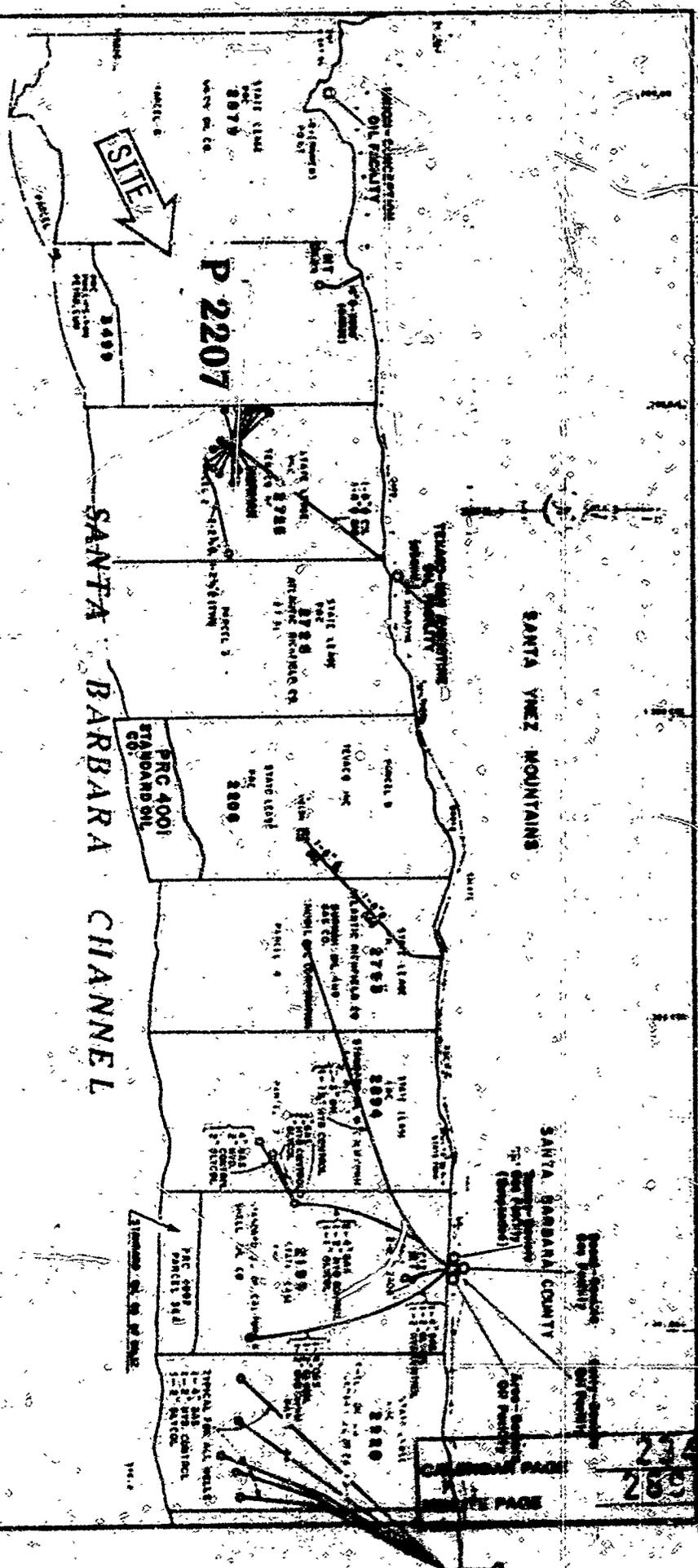
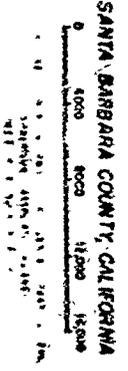
1. AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR PREPARATION OF AN EIR FOR PROPOSED OIL AND GAS DEVELOPMENT ON THESE PARCELS AND TO SELECT A CONSULTANT TO PREPARE THE REQUISITE EIR.
2. AUTHORIZE THE EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT WITH THE SELECTED CONSULTANT.
3. AUTHORIZE THE EXECUTIVE OFFICER TO CONSUMMATE WITH THE SUCCESSFUL BIDDER, A REIMBURSEMENT AGREEMENT FOR ALL STAFF AND CONSULTANT COSTS ASSOCIATED WITH THE PREPARATION OF THE EIR.

NOTE: (1) MARINE TOWER  
MOTOR MARINE TERMINAL  
REVISOR: MARCH 1978  
JANUARY 1978  
JULY 1979

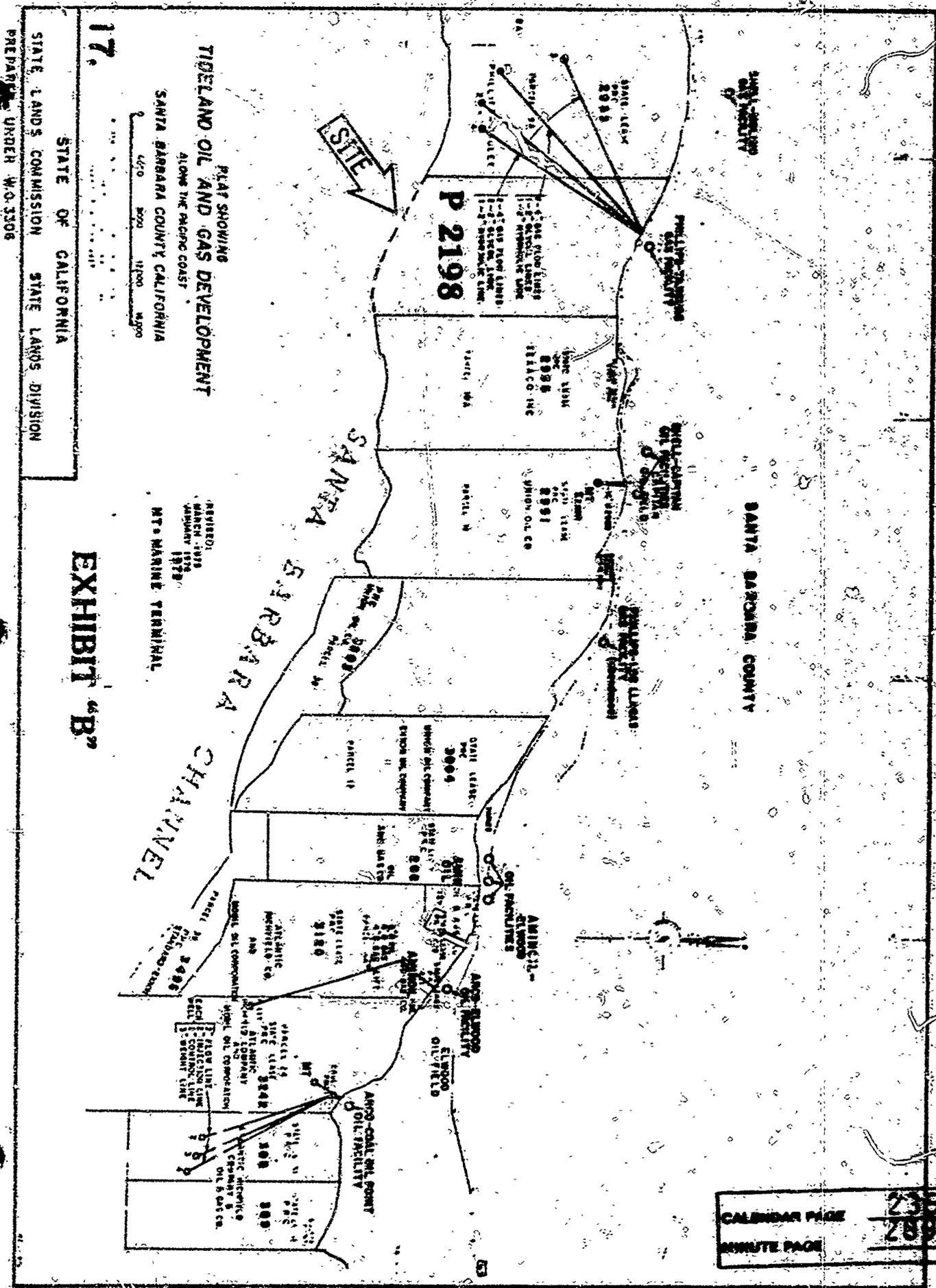
EXHIBIT "A"

STATE OF CALIFORNIA  
STATE LANDS COMMISSION STATE LANDS DIVISION

PLAT SHOWING  
TIDELAND OIL AND GAS DEVELOPMENT  
ALONG THE PACIFIC COAST  
SANTA BARBARA COUNTY, CALIFORNIA



234  
2850  
PAGE



CALNDAR PAGE	235
MINUTE PAGE	287