MINUTE ITEM

This Calendar Item No. 33 was approved as Minute Item No. 33 by the State Lands Commission by a vote of 3 to 0 at its 9/23/82 meeting.

CALENDAR ITEM

33

9/23/82
PRC 1824
PRC 3133
PRC 3150
PRC 4000
Livenick

DEFERMENT OF DRILLING REQUIREMENTS,
STATE OIL AND GAS LEASES
PRC 1824, PRC 3133, PRC 3150 AND PRC 4000

OPERATOR: Chevron U.S.A., Inc.
575 Market Street
San Francisco, California 94120

AREA, TYPE LAND AND LOCATION:
State Oil and Gas Lease PRC 1824, issued on January 10, 1957, contains approximately 5500 acres of tide lands. Current lessees of PRC 1824 are Chevron USA and Exxon. State Oil and Gas Lease PRC 3133, issued on May 28, 1964, contains 5535 acres. Current lessee is Exxon. State Oil and Gas Lease PRC 3150, issued on July 28, 1964, contains 5,553 acres of tide lands. Current lessees of PRC 3150 are Chevron USA and Atlantic Richfield. State Oil and Gas Lease PRC 4000, issued August 28, 1968, contains 204 acres. Current lessees of PRC 4000 are Chevron USA and Atlantic Richfield. Chevron USA is operator of the existing facilities which serve all four tracts.

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(Revised 9/16/82)

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SUMMARY: Resumption of drilling operations from existing facilities (Platforms) on Oil and Gas Leases PRC 1824, PRC 3150 and PRC 4000 were authorized by the Commission on October 28, 1976. Resumption of exploratory drilling on PRC 3133 from existing Chevron facilities located on Platform Heidi on Lease PRC 3150 was authorized on December 17, 1981. As a condition to the resumption of drilling on these four leases, the Commission required that no more than one rig be operated at any time on any of the four platforms. The drilling term obligation on each of these leases was modified so that drilling on any one of the leases satisfied the drilling obligation for all four leases. Likewise, the leases were modified to provide for a ninety-day interval between drilling obligations.

Production from the leases is from four platforms. The lessees propose to explore remote prospects in PRC 3133 and PRC 3150 from Platforms Heidi and Hazel respectively. Extensive repairs must be performed on those platforms before drill rigs of sufficient capacity to reach the far prospects can be installed. This work is estimated to be completed in January 1983.

Chevron, as operator, has requested a deferment of the drilling obligations on all four leases from June 12, 1982 to February 1, 1983. During the deferment period extensive remedial work on wells and repairs to the platforms will be performed.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. This activity is exempt from CEQA because it does not constitute a project.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT CEQA IS NOT APPLICABLE TO THIS ACTION AS IT IS NOT A PROJECT WHICH MAY HAVE A SIGNIFICANT EFFECT

ON THE ENVIRONMENT AS DEFINED IN THE CEQA AND ITS IMPLEMENTING GUIDELINES P.R.C. 21080, CAL. ADM. CODE 15060.

2. AUTHORIZE A DEFERMENT OF THE DRILLING REQUIREMENTS OF CHEVRON USA, INC. ON BEHALF OF THE LESSEES UNDER STATE OIL AND GAS LEASES PRC 1824, PRC 3133, PRC 3150 AND PRC 4000 FOR THE PERIOD COMMENCING JUNE 12, 1982, TO FEBRUARY 1, 1983, CONDITIONED ON THE OPERATORS SUBMITTING A BIMONTHLY STATUS REPORT. THE COMMISSION RESERVES THE RIGHT TO TERMINATE THE DEFERMENT UPON 30 DAYS WRITTEN NOTICE; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

(Revised 9/16/82)

EXHIBIT "A"

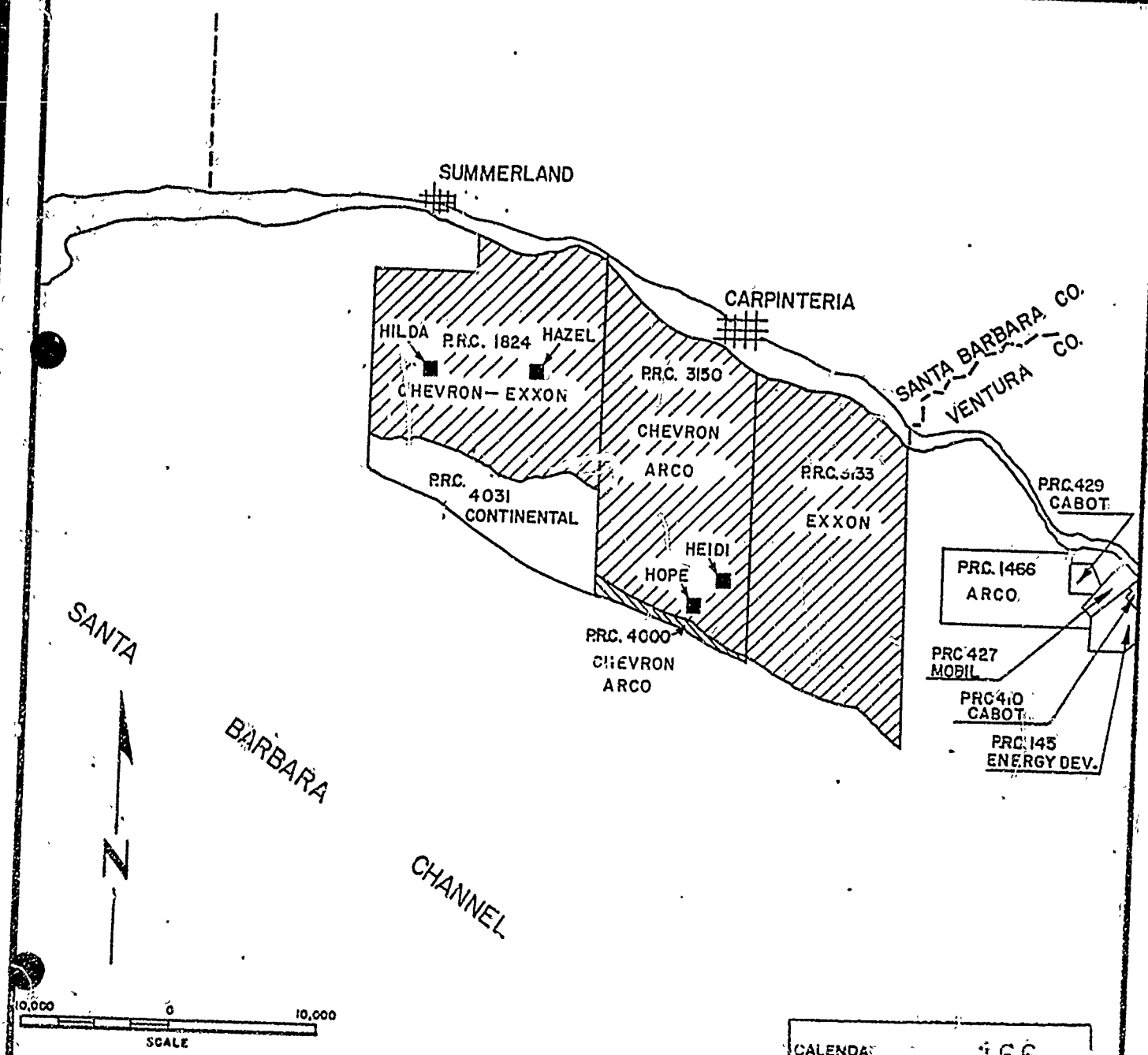
LOCATION MAP

STATE OIL AND GAS LEASES
PRC 1824, 3150, 3133 & 4000
CHEVRON USA, INC.
(OPERATOR)

Santa Barbara County

SEPTEMBER 1982

MGH



(added 9/14/82)

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