

MINUTE ITEM

This Calendar Item No. 34
was approved as Minute Item
34 by the State Lands
Commission by a vote of 2
to 0 at its 10/27/82
meeting.

CALENDAR ITEM

34 1.

10/28/82
PRC 3095
Livenick

DEFERMENT OF DRILLING REQUIREMENT
STATE OIL AND GAS LEASE PRC 3095

LESSEE: Chevron USA, Inc.
575 Market Street
San Francisco, California 94120

AREA, TYPE LAND AND LOCATION:
State Oil and Gas Lease PRC 3095 was issued
on January 30, 1964 and contains approximately
3,360 acres of tide and submerged lands
lying in the County of Orange. State Lease
PRC 3095 is currently held by Chevron USA,
Inc.

SUMMARY: Resumption of drilling operations from
existing facilities on Oil and Gas Lease
PRC 3095.1 was authorized by the Commission
on January 14, 1975. Under the terms of
lease, Chevron is required to maintain
a continuing drilling program until the
underlying oil and gas reservoirs are fully
developed. That program requires that each
well drilled or redrilled must be commenced
within 120 days after the cessation of
drilling operations on the preceding well.
An engineering and geologic review indicates
that the known producing portions of the
field may be fully developed. Chevron requests
a deferment from the drilling requirement
during which to conduct a preliminary geo-
physical survey of the lease area to provide
data in order to determine if further geo-
physical analysis may reveal additional
potentially productive areas within lease
boundaries.

CALENDAR PAGE	205
MINUTE PAGE	2737

OTHER INFORMATION:

Chevron will continue to maintain an ongoing aggressive workover program which is expected to increase current production rates. The company will conduct a feasibility study on the effectiveness of certain chemicals in the on-going waterflood program.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

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

EXHIBIT: A. Site Map.

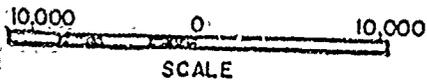
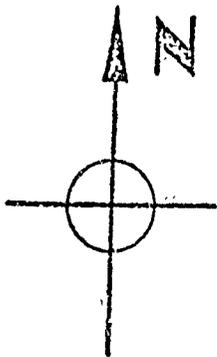
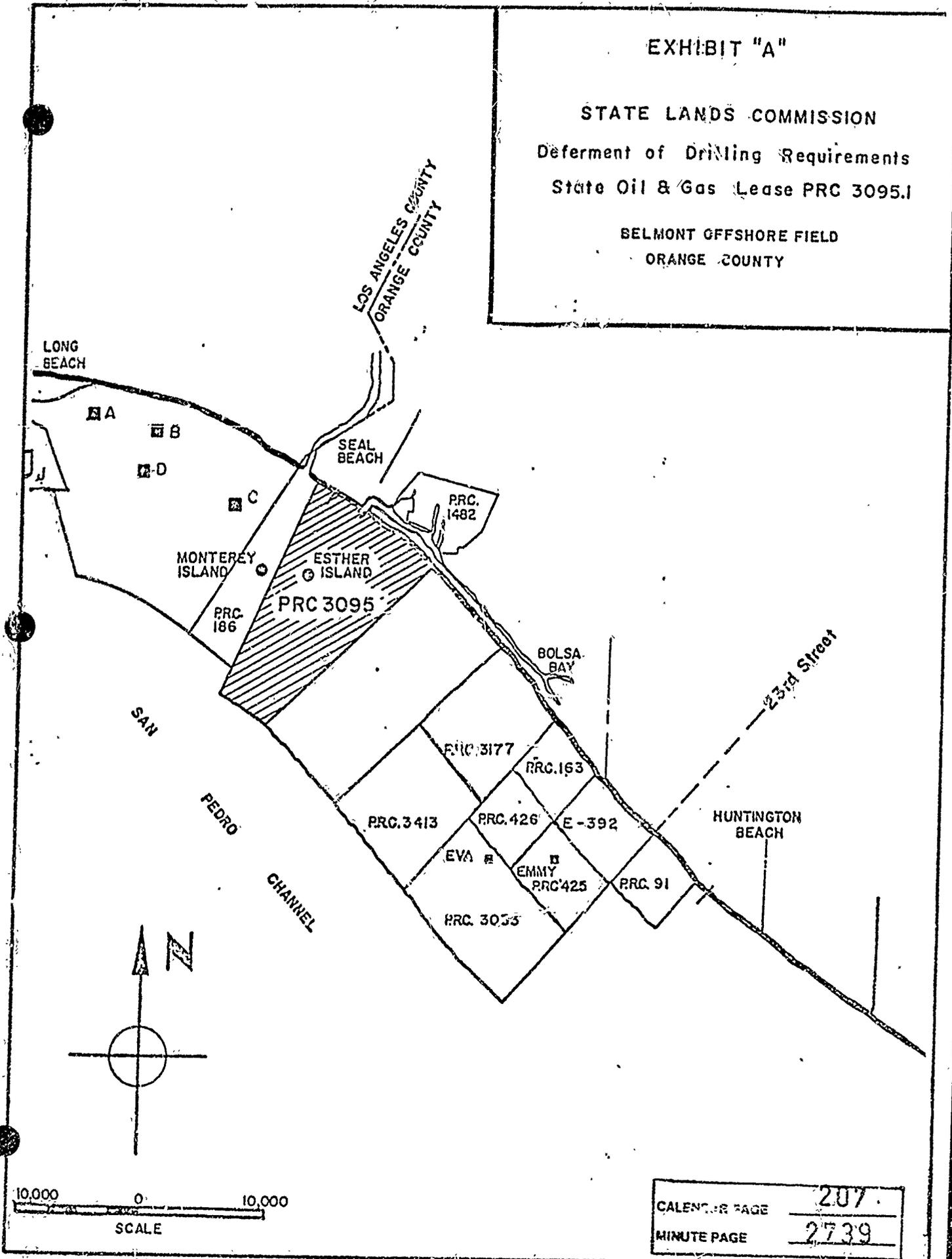
IT IS RECOMMENDED THAT THE COMMISSION:

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 REQUIREMENT TO CHEVRON USA, INC. ON STATE OIL AND GAS LEASE PRC 3095, FOR THE PERIOD COMMENCING NOVEMBER 10, 1982, TO MAY 9, 1983, CHEVRON TO REPORT PROGRESS TO STAFF ON A BI-MONTHLY BASIS. THE COMMISSION RESERVES THE RIGHT TO TERMINATE THIS DEFERMENT OF DRILLING REQUIREMENT UPON 30 DAYS WRITTEN NOTICE, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

EXHIBIT "A"

STATE LANDS COMMISSION
Deferment of Drilling Requirements
State Oil & Gas Lease PRC 3095.1

BELMONT OFFSHORE FIELD
ORANGE COUNTY



CALENDAR PAGE	207
MINUTE PAGE	2739