

MINUTE ITEM

25
15
3
Committee
to 5/31/83
meeting.

CALENDAR ITEM

25

5/31/83
PRC 421
Simmons

AUTHORIZATION FOR
BEACH CLEAN-UP AND HAZARD REMOVAL,
IN SANTA BARBARA COUNTY

BACKGROUND AND PRESENT SITUATION:

Under Oil and Gas Lease PRC 421.1, Lessee, Aminoil U.S.A., is obligated to remove, at the option of the State, all derricks, buildings, machinery, fixtures and improvements which they may have put on the leased lands by the end of the lease term. In 1979 and 1980, the Commission awarded a contract for removal of beach and underwater hazards. When the federally funded project ended, staff contacted various oil companies in the vicinity regarding use of the hazard removal equipment. Aminoil expressed interest in cleaning up the portions of PRC 421.1 although that lease is still in effect. Aminoil contributed a pro rate share of the mobilization and demobilization costs and reimbursed the State for the actual costs of hazard removal from their leasehold. Pursuant to the agreement between Aminoil and the State regarding this work, the State agreed to execute a release to Aminoil in partial satisfaction of the lease obligation insofar as the work performed fulfills such obligations. Staff has inspected the hazard removal work and finds it satisfactorily completed in the areas indicated in Exhibit "A" to the release (attached as Exhibit "B").

AB 884:

N/A.

A 35
S 18

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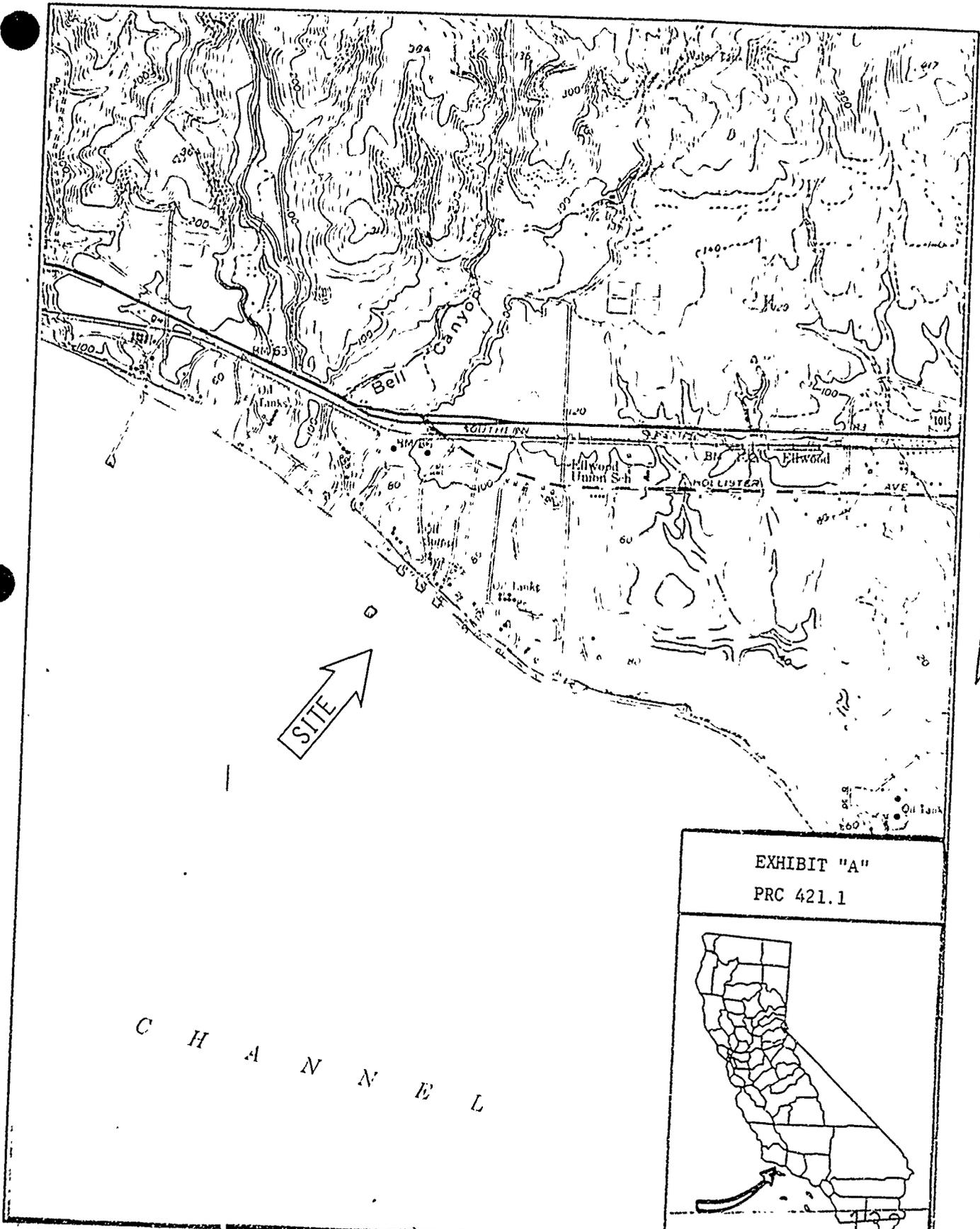
CALENDAR ITEM NO. 25 (CONTD)

EXHIBITS: A. Site Map.
 B. Release.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE A RELEASE TO AMINOIL, U.S.A. FOR THE HAZARD REMOVAL WORK COMPLETED AS DESIGNATED IN EXHIBIT "A" OF SAID RELEASE.

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T027



C H A N N E L

EXHIBIT "A"
PRC 421.1

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EXHIBIT "B"

RELEASE

PRC 421.1

WHEREAS the State of California, acting by and through the State Lands Commission (hereinafter Lessor) and Aminoil U.S.A. (hereinafter Lessee) are parties to that certain oil and gas lease known as PRC 421.1, issued October 11, 1949; and

WHEREAS, pursuant to Section 2, paragraphs (m) and (n) of said lease, Lessee is obligated to deliver up the lease premises in good order and condition including removal of structures at Lessor's option upon termination of said lease; and

WHEREAS, pursuant to that certain Reimbursement Contract LC 1279 entered into by Lessor and Lessee on March 20 1980 and pursuant to Lease PRC 421.1, Lessee agreed to cause certain hazards to be removed from portions of the premises described in Lease PRC 421.1; and

WHEREAS, Lessor has inspected such hazard removal work and finds it to be satisfactorily completed as indicated in the areas depicted in Exhibit A:

NOW THEREFORE, Lessor acknowledges and agrees that said hazard removal work has been satisfactorily completed for purposes of Section 2, paragraph (m) and (n) of Lease PRC 421.1

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in the areas depicted in Exhibit A attached hereto and hereby incorporated by reference and that there is no further obligation on the part of the Lessee under Reimbursement Contract LC 1279 dated March 20, 1980.

IT IS FURTHER UNDERSTOOD and agreed that nothing herein shall release Lessee from its obligations under Lease PRC 421.1, including its obligation under Section 2, paragraphs (m) and (n) for delivery of the lease premises in good order and condition, including removal of structures at Lessor's option upon termination of said lease except as to the hazard removal work satisfactorily completed as of January 14, 1982 in those areas depicted in Exhibit A as cleaned.

IN WITNESS WHEREOF, the State of California, acting by and through the State Lands Commission, has caused this release to be executed this _____ day of _____, 1983.

State of California
State Lands Commission

by

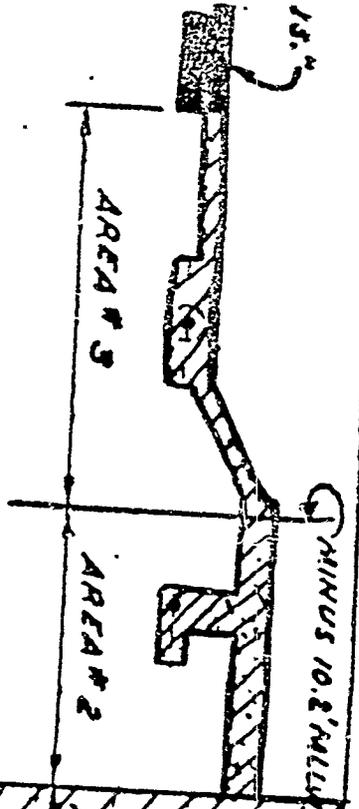
Executive Officer

EXHIBIT "A"

WESTERLY LEASE LINE

(89W) PIER #1

"BIRD IS."



SKETCH MAP

AMINOIL, USA

STATE OIL & GAS LEASE #89

ELLWOOD SANTA BARBARA, CO.

LOCATION OF PIERS 1253

SCALE 1"=200'

4-27-81

NOTES:

1. AREA #1. All steel scrap, conc. etc. removed completely or down 3 ft. below the cobble line.
2. AREA #2 - - DITTO -
3. AREA #3. All steel scrap, conc. etc. removed down to existing sea floor from -10.2' MLLW. out to -12.2' M.L.L.W. From -12.2' M.L.L.W. pier remnants removed either of sea floor or of minimum depth of -12.2' M.L.L.W.

(89M) PIER #2

PIERS REMOVED

(89E) PIER #3

EASTERLY LEASE LINE

LEGEND

-  AREAS CLEANED PER CONTRACT LC 1279 and Lease PRC 421.1
-  EXISTING STRUCTURES

