

113
No. 113
Calendar ITEM
to 7/21/83
meeting

7/21/83
PRC 5978.1
Tanner

QUITCLAIM OF
STATE OIL AND GAS LEASE
PRC 5978.1

APPLICANT: Seaward Resources, Inc.
Dominion Plaza, Suite 225, South Tower
600 - 17th Street
Denver, Colorado 80202
Attention: Mr. Philip L. Shepardson
Land Manager

SUMMARY: Seaward Resources, Inc., has filed with the State on May 4, 1983 a lease quitclaim deed dated April 14, 1983. Section 5 of State Oil and Gas Lease PRC 5978.1 states that the Lessee (Seaward Resources, Inc.) may at any time make and file with the State a written quitclaim or relinquishment of all rights under this lease. Such quitclaim or relinquishment shall be effective as of the date of filing.

AREA, TYPE LAND AND LOCATION:
State Oil and Gas Lease PRC 5978.1 contains approximately 904.8 acres of State lands, located within the Gray Lodge waterfowl Management Area, lying within the East half of Section 13, 17N R1E, MDM, and all of Section 18, 17N R2E, MDM; Butte County.

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PREREQUISITE ITEMS:

- A. Lease Quitclaim Deed has been duly executed by lessee and reviewed for legal sufficiency by Staff Counsel.
- B. An inspection of the State parcel was conducted.
- C. All rental payments are current and no liability appears to exist on this lease.

STATUTORY AND OTHER REFERENCES:

- A. Sections 1 and 5 of the lease.
- B. P.R.C.: Section 6804.1.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

State Oil and Gas Lease PRC 5978.1 was issued to Seaward Resources, Inc. on April 7, 1981 for a term of 20 years. Section 1 of the lease has a provision for a drilling term of two (2) years, with a possible extension of an additional year. If the lessee fails to commence drilling operations within the drilling term, the lease automatically terminates. As of this date, the lessee has not drilled on the lease and has not asked for an extension of the drilling term for the additional year. An executed quitclaim deed from the lessee was submitted on May 4, 1983. An inspection of the lease area was conducted and no evidence of hazardous conditions was found.

This activity is exempt from CEQA because it is not considered to be a project pursuant to 14 Cal. Adm. Code 15037.

EXHIBIT: A. Location Map.
B. Land Description.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH A DOCUMENT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21065, 14 CAL. ADM. CODE 15037 AND 15060.

CALENDAR ITEM NO. 023¹ (CONTD)

2. ACCEPT THE LEASE QUITCLAIM DEED OF SEAWARD RESOURCES, INC. DATED APRIL 14, 1983 AND FILED ON MAY 4, 1983, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 5978.1 AND THE RULES AND REGULATIONS OF THE COMMISSION.

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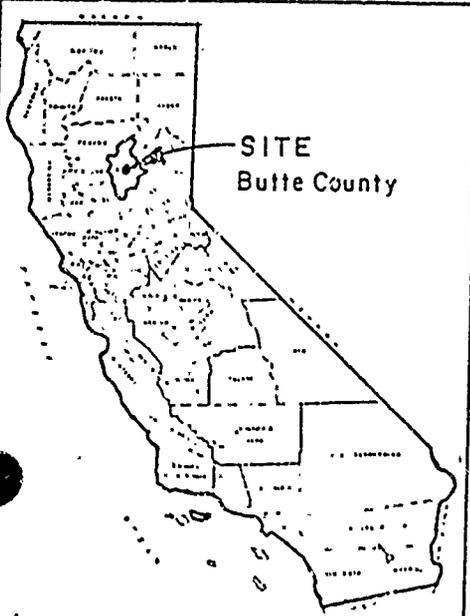
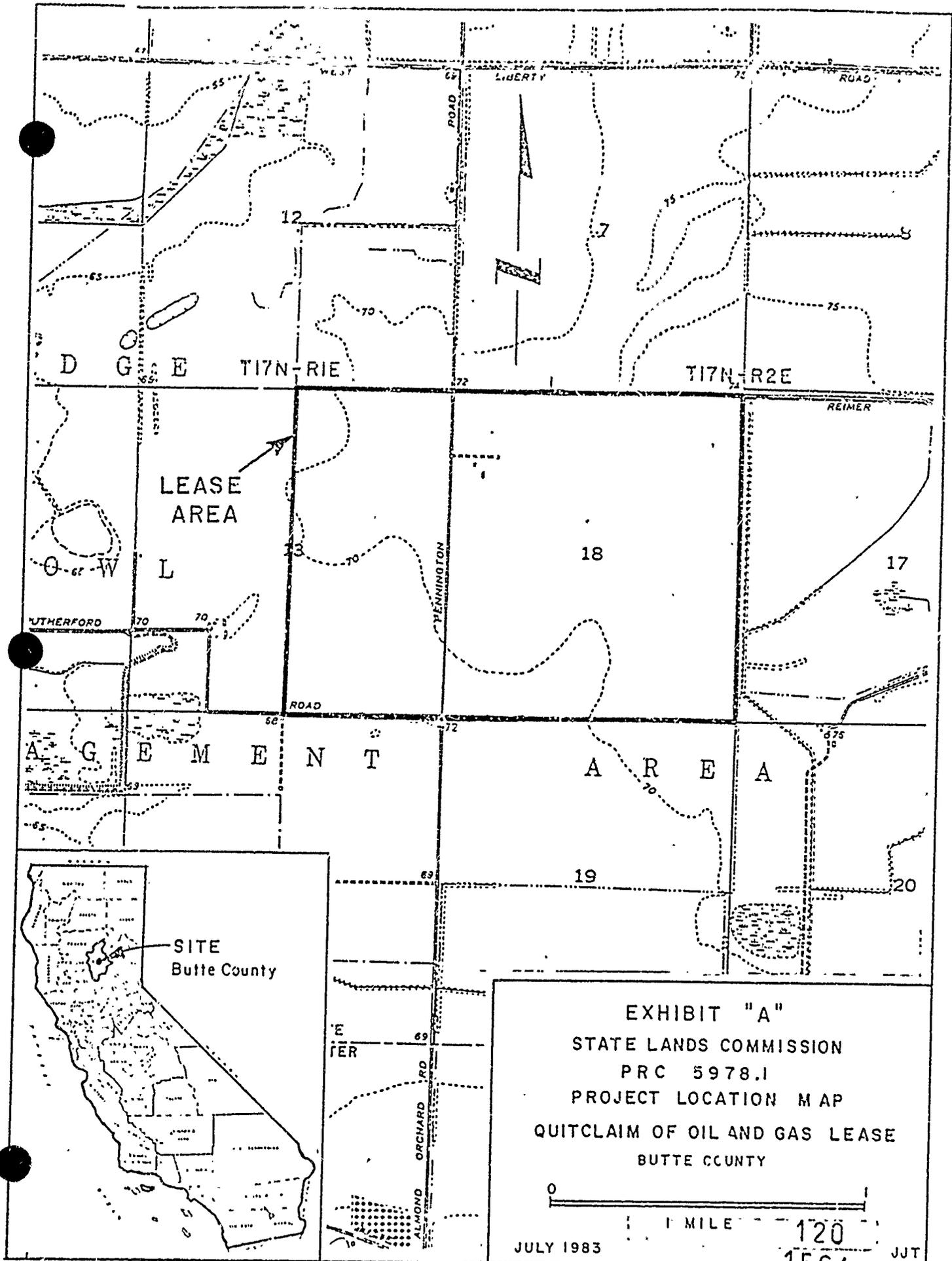


EXHIBIT "A"
 STATE LANDS COMMISSION
 PRC 5978.1
 PROJECT LOCATION MAP
 QUITCLAIM OF OIL AND GAS LEASE
 BUTTE COUNTY

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JULY 1983

PRC 5078.1

EXHIBIT "B"
LAND DESCRIPTION

A parcel of State lands located within the Gray Lodge Waterfowl Management Area, including the East $\frac{1}{2}$ of Section 13, T17N. R1E, MDM, and all of Section 18, T17N R2E, MDM, containing 904.8 acres more or less.

END OF DESCRIPTION

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