MINUTE ITEM

This Calendar Item No. 24 was approved as Minute Item No. 24 by the State Lands Commission by a vote of 3 to 0 at its 5/24/84 meeting.

CALENDAR ITEM

A 36

S 18

24

05/24/84
Livenick
PRC 3314

DEFERMENT OF DRILLING OBLIGATION
OIL AND GAS LEASE PRC 3314,
SHELL WESTERN E&P INC., VENTURA COUNTY

OPERATOR: Shell Western E&P Inc.
P. O. Box 527
Houston, Texas 77099
Attention: Mr. Robert L. Avery

AREA, TYPE LAND AND LOCATION:
State Oil and Gas Lease PRC 3314 issued to Shell Oil Company by the State Lands Commission on July 2, 1965, now held by Shell Western E&P Inc. (SWEPI), contains approximately 5,430 acres of tide and submerged lands lying offshore the West Montalvo Oil Field, Ventura County.

PERTINENT INFORMATION:
On April 29, 1981, Shell received authorization from the Commission to resume exploratory drilling operations on State Lease PRC 3314. In consideration of this approval, a Final EIR (EIR 281) was prepared that addressed the environmental effects of offshore exploratory drilling operations from a drilling vessel.

On April 22, 1982, the Commission certified a Negative Declaration and authorized the drilling of four other exploratory wells from an upland drillsite.

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PRC 3314 lies east of a Federal lease on which SWEPI has drilled four unsucessful wells into a structure which extends into State lands. This geologic structure is more difficult to interpret as it trends east, and SWEPI is presently evaluating recently acquired seismic data which may improve interpretation of the structure.

Meanwhile, SWEPI has obtained all necessary permits to drill wells from an onshore drillsite to explore a near shore structure. Prior to drilling, however, SWEPI must clean up the drillsite area which is in a neglected condition.

SWEPI has requested a one year deferment during which to re-evaluate the lease geology and to clean up the onshore drillsite area.

Staff recommends that a six month deferment be granted.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), staff has determined this activity is exempt from the requirements of the CEQA because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

   Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

2. APPROVE A DEFERMENT OF THE DRILLING OBLIGATION OF STATE OIL AND GAS LEASE PRC 3314 THROUGH DECEMBER 1984; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

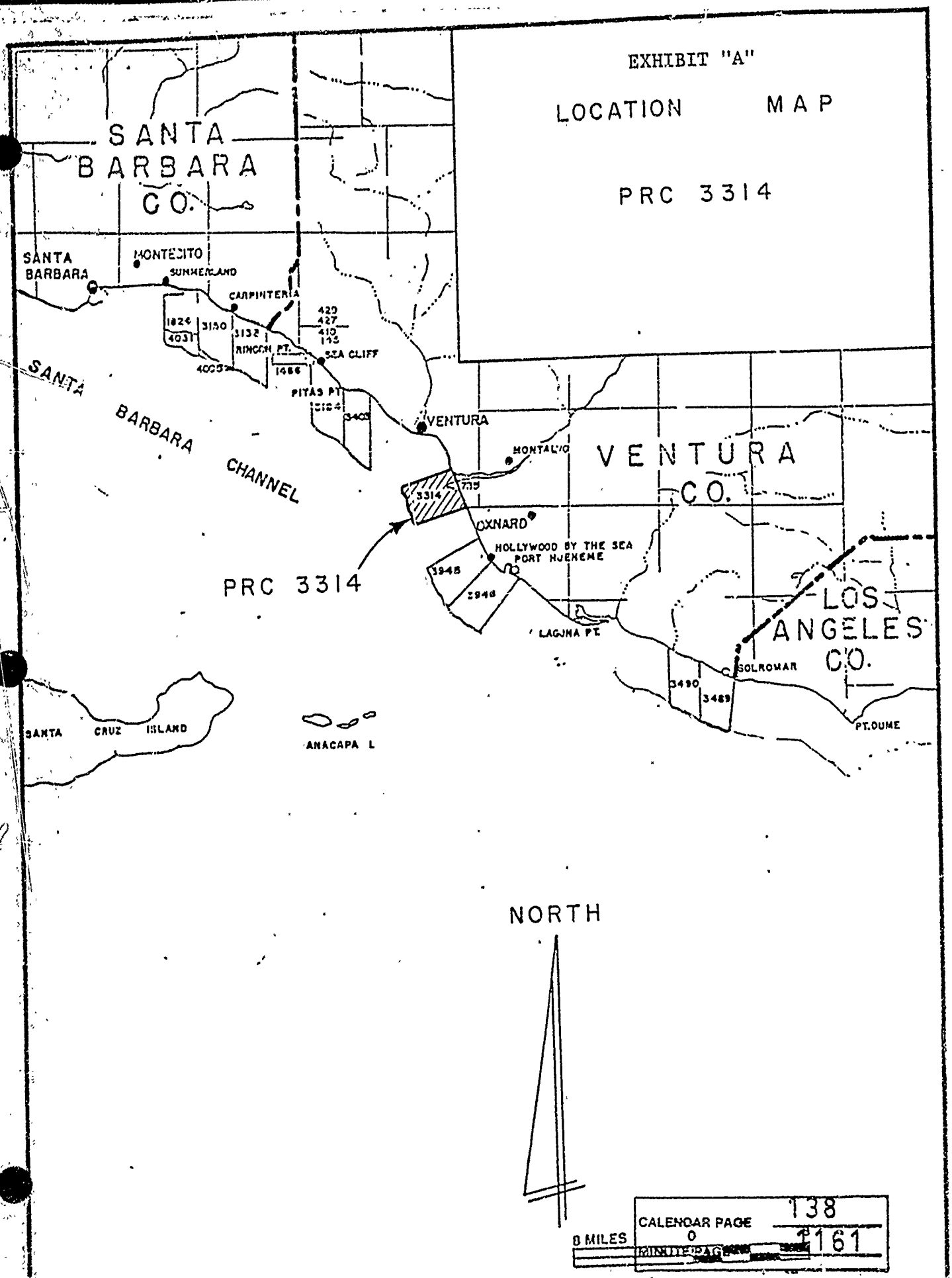
EXHIBIT "A"
LOCATION MAP
PRC 3314
SANTA BARBARA CO.
SANTA BARBARA
MONTECITO
SUMMERLAND
CARPINTERIA
RINCON PT.
SEA CLIFF
PITAS PT.
VENTURA
MONTALVO
VENTURA CO.
SANTA BARBARA CHANNEL
OXNARD
HOLLYWOOD BY THE SEA
PORT HUENEME
PRC 3314
LAGUNA PT.
LOS ANGELES CO.
SOLROMAR
PT. DUME
SANTA CRUZ ISLAND
ANACAPA I.
NORTH
8 MILES
0