

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 3
to 0 at its 5/24/84
meeting.

CALENDAR ITEM

A 15, 26
S 10, 13

25

05/24/84
PRC 6156
Gonzalez

EXTENSION OF INITIAL DRILLING TERM,
STATE OIL AND GAS LEASE PRC 6156.1

LESSEE: Mr. Lowell E. Garrison
4252 Mason Lane
Sacramento, California 95281

AREA, TYPE LAND AND LOCATION:
A Negotiated Oil and Gas Lease covering
234 acres of state uplands at the intersection
of U.S. Highways 205 and 580, California
Aqueduct and Mendota Canal, Alameda and San
Joaquin Counties.

SUMMARY: State Oil and Gas Lease PRC 6156 is presently
under the original drilling term of two years
which expires May 26, 1984. The lessee has
requested that the Commission extend this term
one (1) additional year. The lessee has not
commenced drilling operations due to time
required to conduct and interpret additional
geophysical studies on the private and State
lease areas; delays in negotiating and
operating interest contract and contracting for
a drilling rig. The lessee has now completed
the arrangements and the first well on
adjoining private lands is to be spudded in on
May 15, 1984. If the first well is productive,
subsequent development drilling will involve
State lands.

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PREREQUISITE TERMS:

The lessee has submitted an additional year's rental of \$2,336 and will maintain the lease bond of \$50,000 to guarantee the faithful performance of all provisions of this lease.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C. Section 6829.1.
- B. Paragraph 1 of the lease.

AB 884: 4/20/85.

ENVIRONMENTAL INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes there is no substantial evidence that this project would have a significant effect on the environment.

Authority: 14 Cal. Adm. Code 15061(b)(3)).

2. Prior to the Commission's approval on May 27, 1982 of the negotiated oil and gas lease (PRC 6156) to Mr. Garrison, staff prepared and circulated for public review a Negative Declaration identified as EIR ND 310, State Clearinghouse SCH 2032307 pursuant to the Commission's delegation of authority, the provisions of the CEQA and the State CEQA Guidelines (14 Cal Adm. Code 15025). At the May 27, 1982 meeting a finding was made by the Commission that changes or alterations had been made to the project to avoid or mitigate environmental effects identified in ND 310 to a point where clearly no significant effects would occur and the document was approved.

CALENDAR ITEM NO. 25 (CONT'D)

Since approval of the Negative Declaration, staff has determined that there have been neither changes in the project as revised and approved by the Commission nor in the environment described in ND 310 to alter the Commission's finding that the project, as revised and approved, would not have a significant effect on the environment.

EXHIBITS: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. (14 CAL. ADM. CODE 15061(b)(3)).
2. APPROVE AN EXTENSION OF ONE (1) YEAR TO THE DRILLING TERM OF STATE OIL AND GAS LEASE PRC 6156.1 (FROM MAY 27, 1984 TO MAY 26, 1985); ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

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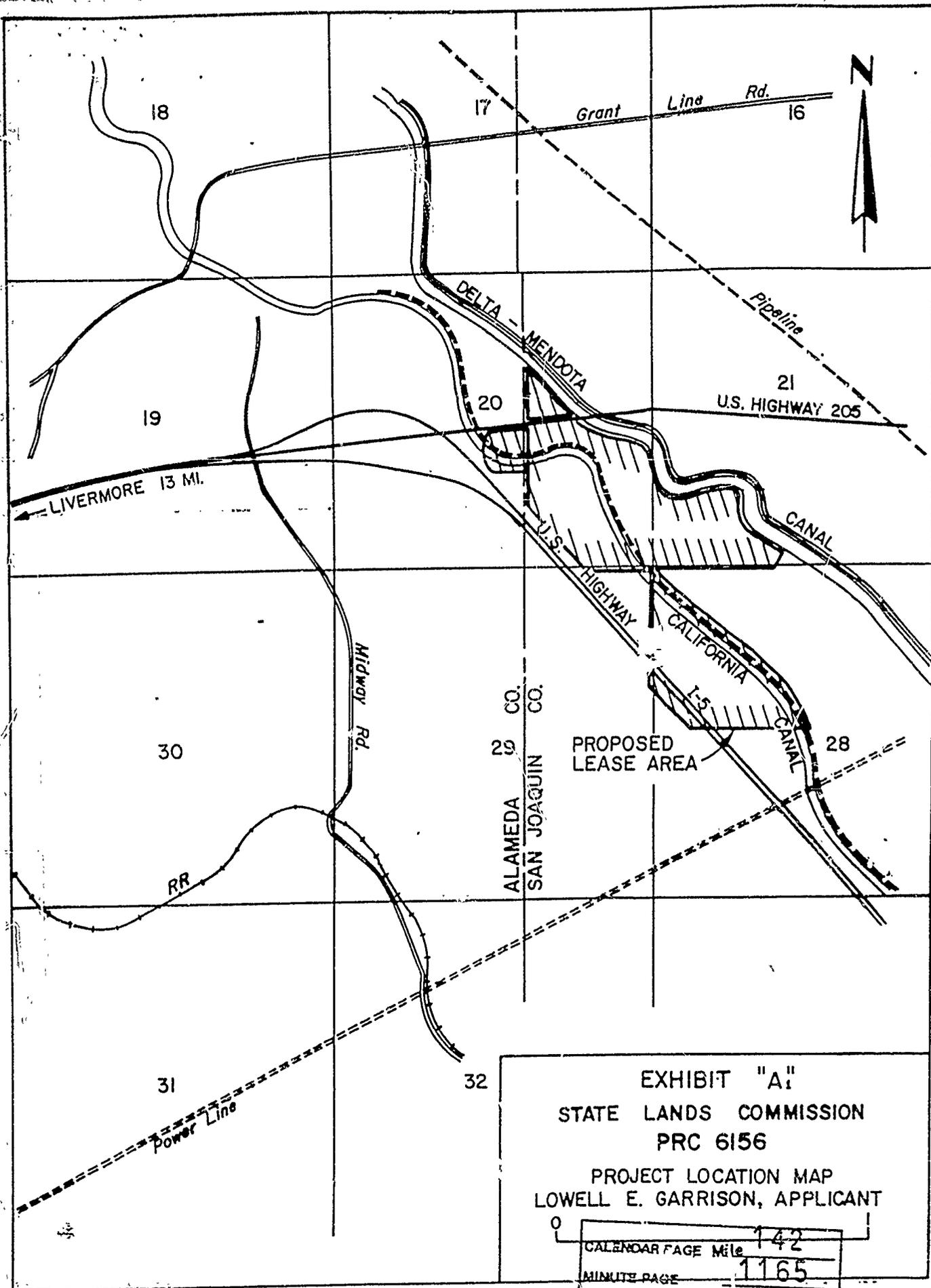


EXHIBIT "A"
STATE LANDS COMMISSION
PRC 6156
PROJECT LOCATION MAP
LOWELL E. GARRISON, APPLICANT

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