

MINUTE ITEM

This Calendar Item No. 24
was approved as Minute Item
No. 24 by the State Lands
Commission by a vote of 2
to 0 at its 5/23/85
meeting.

MINUTE ITEM

24

05/23/85
WP 23498
PRC 6842
Lipphardt

LETTER OF AUTHORIZATION TO
DRILL A TEST BORE

During consideration of Calendar Item 24 attached, Letter of Authorization dates were changed to June 6, 1985 and July 31, 1985 respectively. With that change, the following resolution was approved by a vote of 2-0:

THE COMMISSION:

1. FINDS THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 +S A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 2 CAL. ADM. CODE 2905.

DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

2. FINDS THAT THE ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
3. AUTHORIZES ISSUANCE TO CHEVRON U.S.A., INC. OF A LETTER OF AUTHORIZATION, SUBSTANTIALLY IN THE FORM ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION, TO DRILL A TEST BORE BEGINNING ON OR ABOUT JUNE 6, 1985 AND FINISHING ON OR ABOUT JUNE 31, 1985 ON STATE TIDE AND SUBMERGED LANDS APPROXIMATELY 1.5 MILES NORTH OF POINT CONCEPTION, SANTA BARBARA COUNTY, SUBJECT TO: 1) CHEVRON U.S.A., INC. PLUGGING THE TEST HOLE TO THE SATISFACTION OF STATE LANDS COMMISSION STAFF, IF THE TEST IS UNSUCCESSFUL OR IF THE HOLE IS SUBSEQUENTLY NOT USED; AND 2) CHEVRON U.S.A., INC. RESTORING THE TEST PREMISES AS NEARLY AS POSSIBLE TO ORIGINAL CONDITION UPON COMPLETION OF THE TEST.

CALENDAR PAGE	
MINUTE PAGE	1630

CALENDAR ITEM

A 35

24

05/23/85
W 23489 PRC 6842
Lipphardt

S 18

LETTER OF AUTHORIZATION TO
DRILL A TEST BORE

APPLICANT: Chevron U.S.A., Inc.
P. O. Box 8000
2120 Diamond Boulevard
Concord, California 94524

AREA, TYPE LAND AND LOCATION:
A test bore to be drilled from an upland location onto tide and submerged land, north of Point Conception, Santa Barbara County.

LAND USE: Drilling of a test bore.

BACKGROUND:

In 1984, Chevron U.S.A., Inc. initiated a project to install two pipelines, one for wet oil and the other for sour gas, from Chevron's proposed Platform Hermosa, on offshore Federal Lease OCS-P-0316, to a landfall approximately 1.5 miles north of Point Conception. The pipelines were to be installed, using conventional trenching and backhoe methods. An Environmental Impact Statement (EIS) and an Environmental Impact Report (EIR) No. 366 were prepared for the entire project which includes the cumulative development of the South Santa Maria Basin, as well as offshore and onshore pipelines connecting platforms to an oil and gas processing facility at Gaviota, by the County of Santa Barbara and the Minerals Management Service, SCH 8311 0911 and was certified on October 25, 1984.

CURRENT SITUATIONS:

1. Chevron has recently investigated a horizontal directionally drilled shore crossing technique as an alternative to the conventional method. The drilled

(ADDED 05/20/85)

-1-

CALENDAR PAGE	96
MINUTE PAGE	1601

CALENDAR ITEM NO. 24 (CONT'D)

crossing method has been successful in other areas, but has never been attempted before in the Sissuoc rock formation found at Point Conception.

On April 12, 1985, Chevron contacted the staff of State Lands Commission with a request for authorization to drill a test bore using this new method from shore along the shore crossing route into submerged tide lands. The test bore would be approximately 3,480 feet long, beginning at a point approximately 880 feet east of the mean high tide line and extending westerly to a point approximately 2,600 feet west of the mean high tide. The test bore would end on the sea floor at an approximate 60-foot water depth as shown on Exhibit "A". Chevron has requested that the test be allowed to start May 28, 1985 and hopes to be completed by July 22, 1985. After the test hole has been completed, and the substrata along the route have been investigated, Chevron would determine if a full scale drilled crossing can be accomplished. If the results of the test are unsatisfactory, Chevron proposes to use the conventional shore crossing method.

Staff recommends issuing a Letter of Authorization to Chevron to do the test bore.

The Letter of Authorization would allow Chevron to conduct the test only, and would be conditional upon Chevron receiving any other Federal, State, and local approvals that may be required. The Letter of Authorization would require Chevron to plug the drill hole to the satisfaction of State Lands Commission staff, in the event the test is unsuccessful or if the hole is subsequently not used for any reason; and, would require Chevron to restore the test area as nearly as possible to the conditions existing prior to the test. Chevron has agreed to apply to the State Lands Commission for a General Lease - Right-of-Way Use, for whichever method is chosen for the future pipeline installation.

2. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

(ADDED 05/20/85)

CALENDAR ITEM NO 24 (CONT'D)

3. Pursuant to the Commission's delegation of authority under the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 6, Information Collection, 2 Cal. Adm. Code 2905(e)(1) and 14 Cal. Adm. Code 15306.

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300, and 14 Cal. Adm. Code 2905.

APPLICANT STATUS:

Applicant is owner of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee, processing costs, environmental costs have been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884: 11/15/85.

APPROVALS OBTAINED:

Coastal Commission.

FURTHER APPROVALS REQUIRED:

County of Santa Barbara.

EXHIBITS:

- A. Shore-Crossing Plan and Profile.
- B. 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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 2 CAL. ADM. CODE 2905.

DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

(ADDED 05/20/85)

CALENDAR PAGE	96.2
MINUTE PAGE	1603

CALENDAR ITEM NO. 24 (CONT'D)

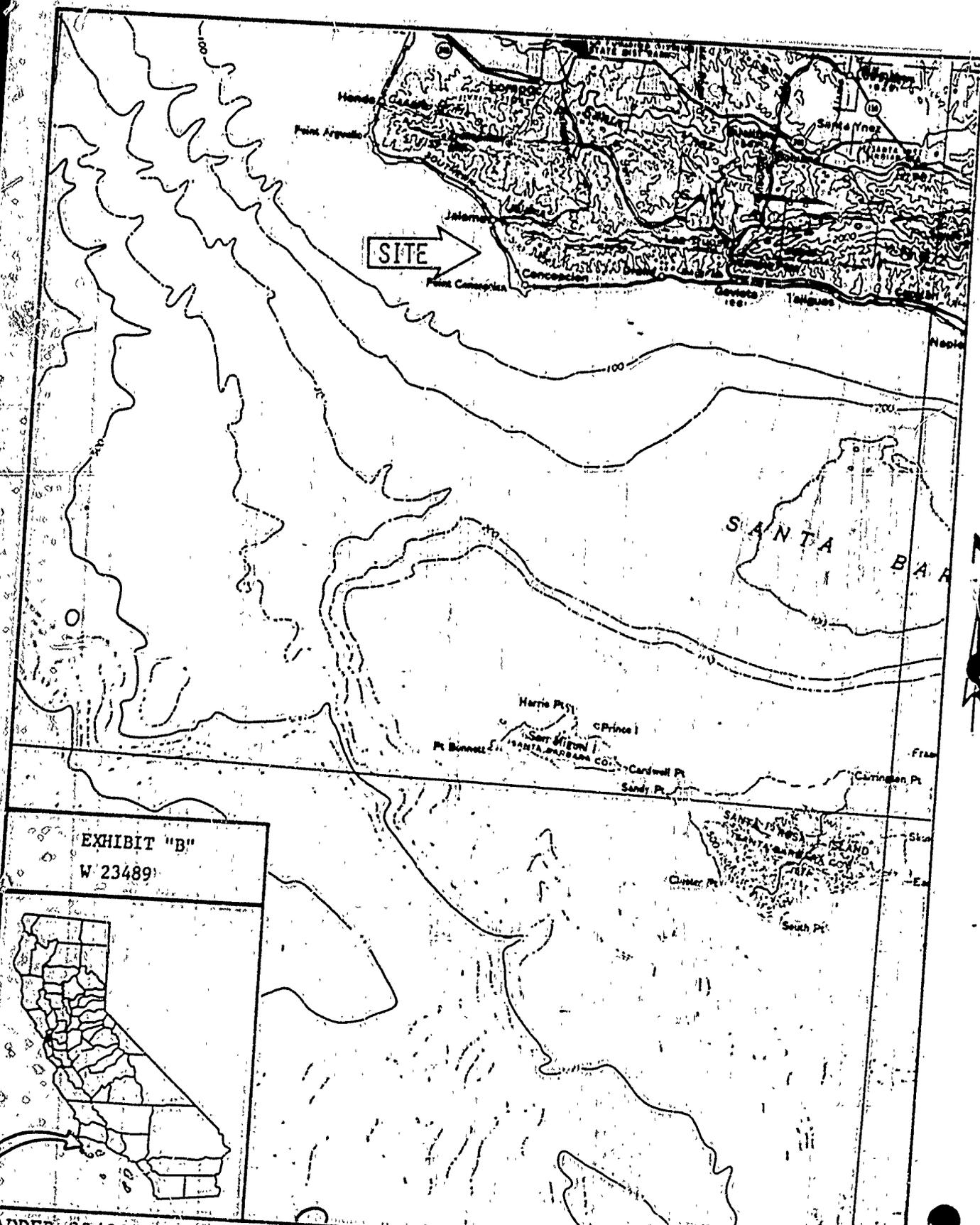
2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
3. AUTHORIZE ISSUANCE TO CHEVRON U.S.A., INC. OF A LETTER OF AUTHORIZATION, SUBSTANTIALLY IN THE FORM ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION, TO DRILL A TEST BORE BEGINNING ON OR ABOUT MAY 28, 1985 AND FINISHING ON OR ABOUT JULY 30, 1985 ON STATE TIDE AND SUBMERGED LANDS APPROXIMATELY 1.5 MILES NORTH OF POINT CONCEPTION, SANTA BARBARA COUNTY, SUBJECT TO: 1) CHEVRON U.S.A., INC. PLUGGING THE TEST HOLE TO THE SATISFACTION OF STATE LANDS COMMISSION STAFF, IF THE TEST IS UNSUCCESSFUL OR IF THE HOLE IS SUBSEQUENTLY NOT USED; AND 2) CHEVRON U.S.A., INC. RESTORING THE TEST PREMISES AS NEARLY AS POSSIBLE TO ORIGINAL CONDITION UPON COMPLETION OF THE TEST.

(ADDED 05/20/85)

-4-

CALSHOIR FILE	96.3
MINUTE PAGE	1604

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EXHIBIT "B"
W 23489



(ADDED 05/20/85)

CALENDAR PAGE 9 of 5
MINUTE PAGE 606