

MINUTE ITEM

Title No. C21
2/
11/21/85

Meeting.

CALENDAR ITEM

A 58

S 37

C 21

11/21/85
PRC 3177
Tanner

ACCEPTANCE OF LEASE QUITCLAIM DEED
FOR STATE OIL AND GAS LEASE PRC 3177, ORANGE COUNTY

LESSEES:

Pauley Petroleum, Inc., and
Pauley Lifetime Trust
Attn: Robert H. Palmer, Land Department
Ten Thousand Santa Monica Boulevard
Los Angeles, California 90067

SUMMARY:

Pauley Petroleum, Inc. and Pauley Lifetime Trust, as Lessees for State oil and gas Lease PRC 3177, Orange County have filed with the State on September 17, 1985 a lease quitclaim deed dated September 11, 1985. Section 5 of State oil and gas Lease PRC 3177 states that the Lessee 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 on the date of filing.

AREA, TYPE LAND AND LOCATION:

State oil and gas Lease PRC 3177 contains 1,549 acres, more or less, of tide and submerged lands within San Pedro Bay, Orange County, between Sunset Beach and Huntington Beach.

PREREQUISITE ITEMS:

1. Lease Quitclaim Deed has been duly executed by the lessors and reviewed for legal sufficiency by Staff Counsel.
2. All rental payments are current and no liability appears to exist on this lease.

CALENDAR ITEM NO. C 2 1 (CONT'D)

OTHER PERTINENT INFORMATION:

1. State oil and gas Lease PRC 3177 was issued to Signal Oil and Gas Company on August 18, 1964 for a term of 20 years and as long as oil and gas is being produced in paying quantities. On November 18, 1965 the State Lands Commission authorized and approved the assignment of 1,871 acres of 3,420 acres of this lease to Union Oil Company. On April 26, 1973 the Commission authorized and approved the assignment of an undivided 50 percent of this lease to Edwin W. Pauley and an undivided 50 percent of this lease to Pauley Petroleum, Inc. from Signal Oil and Gas Company.

Signal Oil and Gas Company drilled a well, "State 3177" 2, to an original total depth of 9,155 feet. The well was drilled from an onshore location and was abandoned on January 22, 1966. With Commission approval this well was redrilled to a depth of 6,584 feet without encountering any significant shows of oil and gas and was abandoned on January 9, 1972. No further drilling has occurred on the lease.

2. 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 because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: PRC 21065 and 14 Cal. Adm. Code 15378.

STATUTORY AND OTHER REFERENCES:

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

AB 884:

N/A.

CALENDAR ITEM NO. 641 (CONT'D)

EXHIBIT: A. Legal Description.
 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 BECAUSE IT IS NOT A PROJECT AS DEFINED BY PRC 21065 AND 14 CAL. ADM. CODE 15378.
2. ACCEPT THE LEASE QUITCLAIM DEED OF PAULEY PETROLEUM, INC. AND PAULEY LIFETIME TRUST DATED SEPTEMBER 11, 1985 (A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE COMMISSION) IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 3177 AND THE RULES AND REGULATIONS OF THE COMMISSION.

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EXHIBIT "A"

A PARCEL OF TIDE AND SUBMERGED LAND IN SAN PEDRO BAY, ORANGE COUNTY, SITUATE BETWEEN SUNSET BEACH AND HUNTINGTON BEACH; SAID PARCEL BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE ORDINARY HIGH WATER MARK OF SAN PEDRO BAY WITH THE NORTHEAST BOUNDARY LINE OF STATE OIL AND GAS LEASE P.R.C. 163 WHICH BEARS N.37° 07' 38" W. 5,279.87 FEET AND S. 41° 28' 52" W. 1,000.64 FEET FROM A STANDARD CALIFORNIA STATE LANDS COMMISSION BRASS CAP STAMPED "N.W. CORNER E RESET 1950" AS SHOWN ON A MAP ENTITLED "SURVEY OF BOLSA CHICA BEACH IN SEC. 29, 32, & 33, T5S, R11W, SBM, AND SEC. 4, T6S, R11W, SBM, ORANGE COUNTY, CALIFORNIA, SHEET 3 OF 3, "DATED APRIL 1950 AND PREPARED BY THE CALIFORNIA STATE LANDS COMMISSION, SAND POINT OF INTERSECTION HAVING CALIFORNIA ZONE 6 COORDINATES OF X = 1,454,282.65 Y = 559,671.19 AS COMPUTED FROM THE AFOREMENTIONED MAP; THENCE PROCEEDING SOUTHWESTERLY 18,227.85 FEET, MORE OR LESS, ALONG THE NORTHWEST BOUNDARY LINES OF STATE OIL AND GAS LEASES P.R.C.S 163, 426, AND 3033 TO A POINT IN SAN PEDRO BAY; THENCE CONTINUING NORTHWESTERLY PARALLEL TO THE ORDINARY HIGH WATER MARK TO AN INTERSECTION WITH A LINE WHICH IS PARALLEL TO AND DISTANT 1,550 FEET (MEASURED ALONG A LINE BEARING N.43° 04' 34" W.) FROM A LINE WHICH BEARS S.46° 55' 26" W. FROM U.S.C. & G.S. TRIANGULATION STATION "CHICA 1933;" THENCE N.46° 55' 26" E. TO THE AFOREMENTIONED ORDINARY HIGH WATER MARK AND CONTINUING THENCE SOUTHEASTERLY ALONG SAID ORDINARY HIGH WATER MARK TO THE POINT OF BEGINNING, SAND PARCEL CONTAINING 3,420 ACRES MORE OR LESS.

EXCEPTING THEREFROM THAT PORTION OF THE ABOVE DESCRIBED TIDE AND SUBMERGED LAND LYING SOUTHWESTERLY OF A LINE RUNNING PARALLEL TO AND 8760 FEET SOUTHWESTERLY FROM THE ORDINARY HIGH WATER MARK OF SAN PEDRO BAY, ORANGE COUNTY, CALIFORNIA.

BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM ZONE 6.

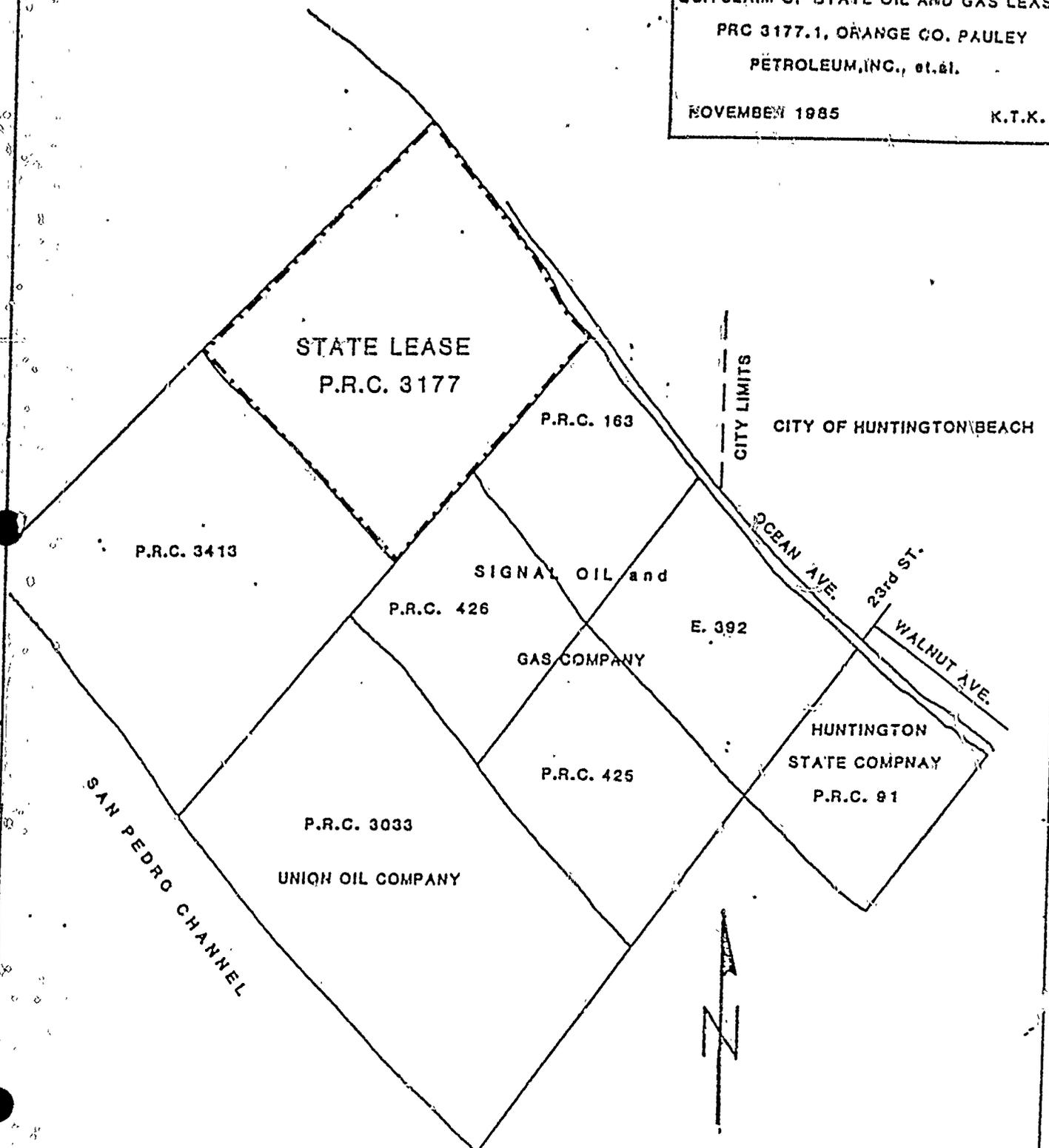
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EXHIBIT "B"

STATE LANDS COMMISSION
QUITCLAIM OF STATE OIL AND GAS LEASE
PRC 3177.1, ORANGE CO. PAULEY
PETROLEUM, INC., et.al.

NOVEMBER 1985

K.T.K.



4000' 2000' 0 4000' 8000'

SCALE 1" = 4000'

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