

MINUTE ITEM

This Calendar Item No. 28
(was approved as Minute Item
No. 28 by the State Lands
Commission by a vote of 3
to 0 at its 11/21/85
meeting.

CALENDAR ITEM

A 35
S 18

28

11/21/85
PRC 6842
Lipphardt

LETTER OF AUTHORIZATION TO DRILL UP TO TWO TEST BORES

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

AREA, TYPE LAND AND LOCATION:
Up to two test bores to be drilled from an
upland location onto tide and submerged lands,
north of Point Conception, Santa Barbara County.

LAND USE: Drilling of up to two test bores.

BACKGROUND:

1. 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.
2. On April 12, 1985, Chevron contacted the staff of State Lands Commission with a request for authorization to drill a test bore using a new method of a horizontal directionally-drilled shore crossing for the pipeline

CALENDAR PAGE	122
MINUTE PAGE	3305

CALENDAR ITEM NO. 28 (CONT'D)

installation. The test bore was estimated to 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 was to end on the sea floor at an approximate 60-foot water depth. If the results of the test were unsatisfactory, Chevron proposed to use the conventional shore crossing method.

3. On May 23, 1985, the State Lands Commission authorized the issuance of a Letter of Authorization to Chevron to drill the test bore. On July 25, 1985, the Commission granted Chevron a 60-day extension of time within which to do the test.

CURRENT SITUATION

1. The Letter of Authorization expired October 7, 1985 and Chevron has been unable to conduct the test. Chevron contacted staff to ask for a new Letter of Authorization to drill up to two test bores. Chevron does not anticipate being able to conduct the test until after December 15, 1985. The County of Santa Barbara has issued a permit to Chevron that allows for the drilling of two test bores.
2. The Letter of Authorization would be effective December 1, 1985 and 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 holes to the satisfaction of State Lands Commission staff, in the event the test is unsuccessful or if the holes are 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 applied to the State Lands Commission for a General Lease - Right-of-Way Use, for whichever method is chosen for the future pipeline installation.
3. 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.
4. 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 as a categorically exempt

CALENDAR ITEM NO. 28 (CONT'D)

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:

Processing 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: N/A.

APPROVALS OBTAINED:

Coastal Commission and County of Santa Barbara.

EXHIBITS:

- A. Land 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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 6, INFORMATION COLLECTION, 2 CAL. ADM. CODE 2905(e)(1).
2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6970, 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 UP TO TWO TEST BORES BEGINNING ON OR ABOUT DECEMBER 15, 1985 AND FINISHING ON OR ABOUT FEBRUARY 1, 1986 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 HOLES ARE 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.

EXHIBIT "A"

LAND DESCRIPTION

PRC 6842

A strip of tide and submerged land 10 feet wide in the Pacific Ocean 1.5 miles north of Point Conception, Santa Barbara County, California, the centerline of said strip being described as follows:

BEGINNING at the test drilling entry point, at the approximate California Coordinate System, Zone 5 coordinates of X = 1,255,561 and Y = 361,026; thence N 89° 06' 00" W 3480 feet to the end of the herein described line.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark.

This description is based on the California Coordinate System, Zone 5.

END OF DESCRIPTION

PREPARED JULY 2, 1985 BY BOUNDARY SERVICE UNIT, M. L. SHAFER, SUPERVISOR.

CALENDAR PAGE	125
MINUTE PAGE	3308

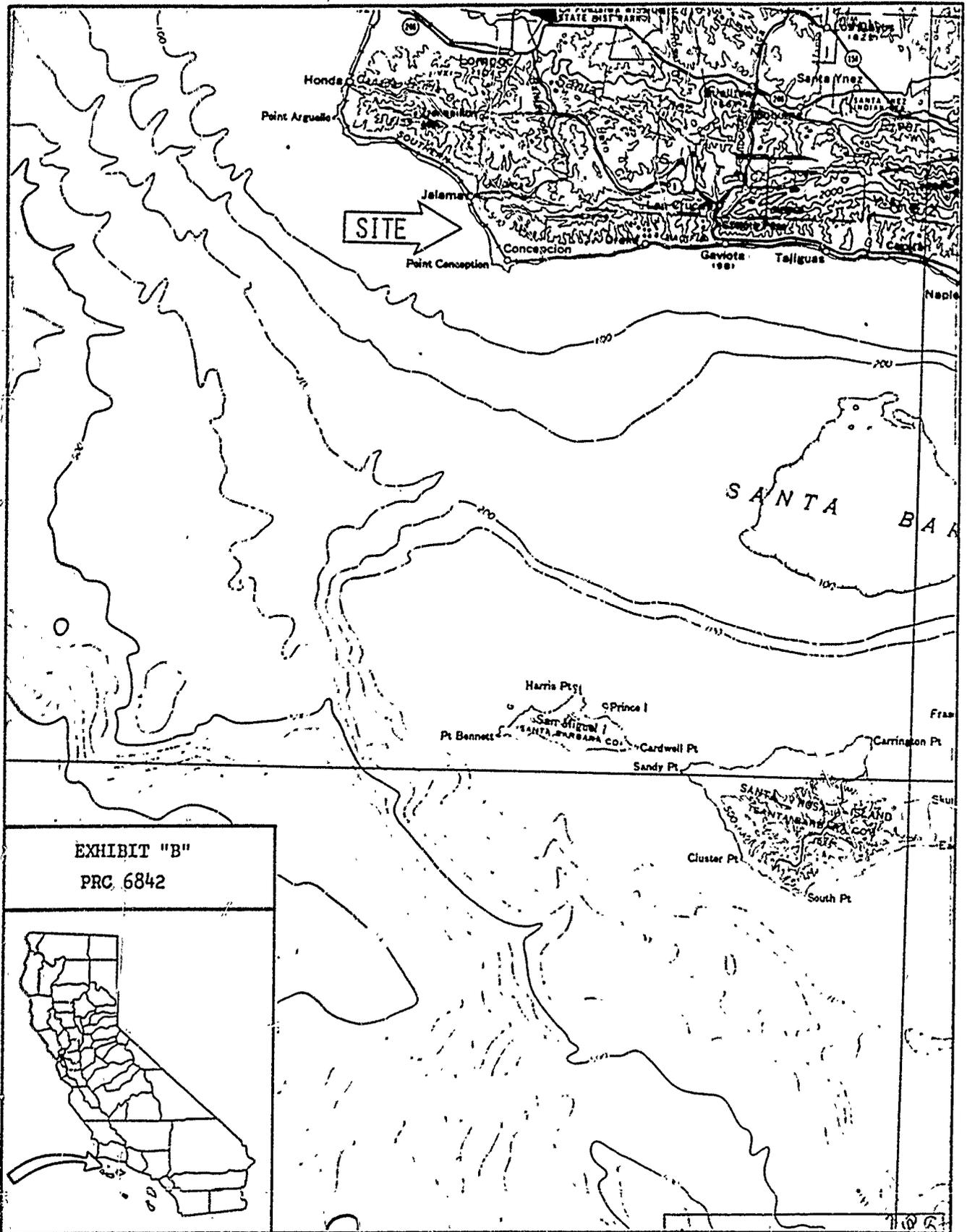


EXHIBIT "B"
 PRC. 6842

