

MINUTE ITEM

This Calendar Item No. 26
was approved as Minute Item
No. 26 by the State Lands
Commission by a vote of 2
to 0 on July 7/24/86
at 1:00 p.m.

CALENDAR ITEM

26

07/24/86,
W 40497
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REQUEST FOR AN EXEMPTION OF AN OIL AND GAS LEASE
FROM THE COMPETITIVE BIDDING REQUIREMENTS
OF SECTION 7052 OF THE CALIFORNIA PUBLIC RESOURCES CODE

APPLICANT: Property Management Department
Kern County
Attention: Ronald A. James
Real Property Agent
1430 Truxton Avenue, Suite 501
Bakersfield, California 93301

AREA, TYPE OF LAND AND LOCATION:
A 1.5-acre parcel of County owned land located
in the NE1/4 of the SE1/4 of Section 20, T30S
R22E, Kern County, MDB&M, within the community
of McKittrick.

SUMMARY: The Property Management Department of Kern
County intends to enter into a negotiated oil
and gas lease as an out of court settlement of
litigation with Angus Petroleum Corporation,
which is the successor in interest to another
party that had drilled a trespass oil and gas
well on county owned land without permission.
The Department has requested that the
Commission exempt the lease from the procedural
requirements of competitive public bidding as
specified by Sections 7052 and 7053 of the
California P.R.C.

Angus Petroleum Corporation has offered to pay
the county a \$500 rental payment for the one
year term of the lease and a one-fourth royalty
on any hydrocarbons produced from the lease.
Staff feels that the rates negotiated by the
County and Angus Petroleum Corporation are
adequate.

CALENDAR ITEM NO. 26 (CONT'D)

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. The County parcel is small in size and a producing oil and gas well is already located on the parcel. Therefore, it would be impractical for the Department to follow the competitive public bidding procedures as outlined in Section 7052 and 7053 of the California P.R.C.

In accordance with Section 7052 of the Public Resources Code, the State Lands Commission may, in its discretion, exempt particular leases from the procedures of public bidding if it deems such procedures are impractical by reason of the small size of the property or drainage from surrounding land.

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

EXHIBIT: A. Legal Description of County Parcel.

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. EXEMPT THE PROPERTY MANAGEMENT DEPARTMENT, COUNTY OF KERN, FROM THE PROCEDURAL REQUIREMENTS OF P.R.C. SECTIONS 7052 AND 7053 FOR THE PROPOSED NEGOTIATED OIL AND GAS LEASE FOR THE 1.5-ACRE PARCEL OF COUNTY-OWNED LAND, LOCATED WITHIN THE COMMUNITY OF MCKITTRICK.

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EXHIBIT "A"

ALL THAT PORTION OF THAT NE 1/4 OF THE SE 1/4 OF SECTION 20,
T 30 S, R 22 E, MDM, IN THE UNINCORPORATED AREA OF THE COUNTY
OF KERN, STATE OF CALIFORNIA, ACCORDING TO THE OFFICIAL PLAT
THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT IN THE SE 1/4 OF SAID SECTION 20 WHICH
POINT IS SITUATED 683.67 FEET SOUTH AND 347.12 FEET WEST OF THE
NORTHEAST CORNER OF THE SE 1/4 OF SAID SECTION 20, RUNNING
THENCE WEST 199.9 FEET TO A POINT; THENCE AT RIGHT ANGLE NORTH
326.86 FEET TO A POINT; THENCE AS A RIGHT ANGLE EAST 199.9 FEET
TO A POINT; THENCE AT A RIGHT ANGLE SOUTH 326.86 FEET TO THE
POINT OF BEGINNING.

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