

**MINUTE ITEM**  
This Calendar Item No. C7  
was approved as Minute Item  
No. 2 by the State Lands  
Commission by a vote of 3  
to 0 at its 1/22/87  
meeting.

CALENDAR ITEM

C 07

01/22/87  
PRC 426  
Tanner

A 58  
S 37

APPROVAL OF TRANSFERS AND ASSIGNMENTS OF INTEREST  
IN 25 STATE OIL AND GAS LEASES,  
HUNTINGTON BEACH FIELD, ORANGE COUNTY

ASSIGNOR: Pauley Lifetime Trust  
c/o O'Melveny & Myers  
Attn: Leah M. Bishop, Esq.  
1800 Century Park East  
Los Angeles, California 90067-1589

ASSIGNEES: Barbara Pauley Marital Trust  
Barbara MCHenry Pauley Trust  
c/o O'Melveny & Myers  
Attn: Leah M. Bishop, Esq.  
1800 Century Park East  
Los Angeles, California 90067-1589

AREA, TYPE LAND AND LOCATION:  
25 State oil and gas Leases, all were issued by  
the State Lands Commission between May 21, 1943  
and March 1, 1954, and are all located within  
the tide and submerged lands of the  
Huntington Beach Oil Field in Orange County.

SUMMARY: The Pauley Lifetime Trust was established on  
December 6, 1973. It contains the partial  
interests in 25 State oil and gas Leases in the  
Huntington Beach Field, Orange County held by  
Edwin W. Pauley of Pauley Petroleum, Inc.

Pursuant to the provisions of the  
Third Amendment to the Trust, the Trust  
terminated upon the death of Edwin W. Pauley on  
July 28, 1981. The dispositive provisions of

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the Trust direct that Mr. Pauley's one-half community interest of the Trust Estate be distributed to Mr. Pauley's Estate.

Pursuant to Mr. Pauley's will, dated May 13, 1978 all of Mr. Pauley's community one-half interest in the oil and gas leases passes to the Barbara Pauley Marital Trust. A court order directing this transfer was obtained on November 6, 1986.

Mrs. Pauley's community one-half interest in the leases held in the Trust are to be transferred to the Barbara McHenry Pauley Trust dated May 13, 1978.

Shell California Production, Inc. will continue to operate the working interests under the leases and the Trustee anticipates no change in such operations as a result of the proposed assignments.

O'Melveny & Myers, as Agent for the Pauley Lifetime Trust, is seeking the State Lands Commission approval for the transfer of these interests.

**PREREQUISITE ITEMS:**

- A. Assignment forms for each of the above State oil and gas Leases have been executed by Assignor and Assignees and are on file in the Long Beach office of the Commission.
- B. Assignee is qualified to hold a State lease.
- C. Filing fees and processing costs have been received.

**STATUTORY AND OTHER REFERENCES:**

- A. P.R.C.: Section 6804.

AB 884: N/A.

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OTHER PERTINENT 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 because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

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

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 THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. DETERMINE THAT THE CONSENT TO THESE ASSIGNMENTS IS NOT INTENDED TO BE A FINDING OR A CONFIRMATION OF THE EXISTENCE OF ANY INTEREST PAULEY LIFETIME TRUST MAY HAVE IN STATE OIL AND GAS LEASES PRC 426, PRC 163, E-392, PRC 425, PRC 91, E-400, E-401, PRC 919, PRC 920, PRC 977, PRC 980, PRC 983, PRC 985, PRC 986, PRC 989, PRC 997, PRC 999, PRC 1329, PRC 1331, PRC 1332, PRC 1333, PRC 1334, PRC 1336, PRC 1337, AND PRC 1340.
3. CONSENT TO THE ASSIGNMENTS OF ALL THE ASSIGNOR'S INTEREST, IF ANY, IN STATE OIL AND GAS LEASES PRC 426, PRC 163, E-392, PRC 425, PRC 91, E-400, E-401, PRC 919, PRC 920, PRC 977, PRC 980, PRC 983, PRC 985, PRC 986, PRC 989, PRC 997, PRC 999, PRC 1329, PRC 1331, PRC 1332, PRC 1333, PRC 1334, PRC 1336, PRC 1337, AND PRC 1340, TO THE ASSIGNEES, BARBARA PAULEY MARITAL TRUST AND BARBARA MCHENRY PAULEY TRUST, WITHOUT WARRANTING THE NATURE, EXISTENCE OR EXTENT OF SUCH INTEREST, ANY CONDITIONS IN THE ASSIGNMENTS TO THE CONTRARY NOTWITHSTANDING.

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