MINUTE ITEM
This Calendar Item No. 35
was approved as Minute Item
No. ___ by the State Lands
Commission by a vote of 3
to 0 at its 10-21-87
meeting.

CALENDAR ITEM

35

10/21/87
W 503.1456
Hager
Frey

A 58

S 37

AUTHORIZATION TO FILE DISCLAIMER
IN CROWN CENTRAL PETROLEUM CORPORATION v. DURKEE, ET AL.,
ORANGE COUNTY SUPERIOR COURT NO. 414934

PARTY: Crown Central Petroleum Corporation
Yates, Mckee & Frenzel, a Professional Corporation
Lawrence D. Frenzel, Esq.
888 North Main Street, Suite 1000
Santa Ana, California 92701

The State of California, acting by an through the State Lands Commission, is a party to a partition and quiet title action brought by Crown Central Petroleum Corporation in the Orange County Superior Court. The case, which is entitled Crown Central Petroleum Corporation v. Eva M. Durkee, et al., No. 414934, seeks to quiet title to and partition the interests of parties allegedly claiming an interest in four upland lots in the City of Huntington Beach.

The State appears, from the title company's litigation report, possibly to have an interest in these four lots from the recordation of Agreement for Easement No. 309 and Agreement for Easement No. 325. These easements were issued by the State in 1934. Each easement was for a trespass well drilled from a parcel comprising the four upland lots into tide and submerged land and granted the owner of the well, for which it was issued an easement through the tide and submerged lands, for the course of the well bore and the right to produce oil and gas from State lands through the well in return for a royalty payment to the State. The easements gave the State no interest in the upland lots from which the wells were drilled. The well, for which Agreement for Easement No. 309 was issued, has been abandoned and the easement holder's interest has been

quitclaimed to the State. The well, for which Agreement for Easement No. 325 was issued, has been abandoned, but the easement interest is still in effect and has been combined with other State tidelands leasehold interests to form the 91 Main Zone Unit, an active producing operation.

An examination of the Commission's records, including the files for Agreement for Easement No. 309 and Agreement for Easement No. 325, shows that there is no interest held by the State and administered by the Commission in the four lots that are the subject of the partition and quiet title litigation, namely, lots 2, 4, 6 and 8 in Block 319 of Huntington Beach, Seventeenth Street Section, as shown on a map recorded in Book 4, Page 10 of Miscellaneous Maps in the Records of Orange County, California. Since the litigation involves land over which the Commission has no jurisdiction, it is recommended that a disclaimer be filed on behalf of the State Lands Commission disclaiming all right, title, and interest in the four lots.

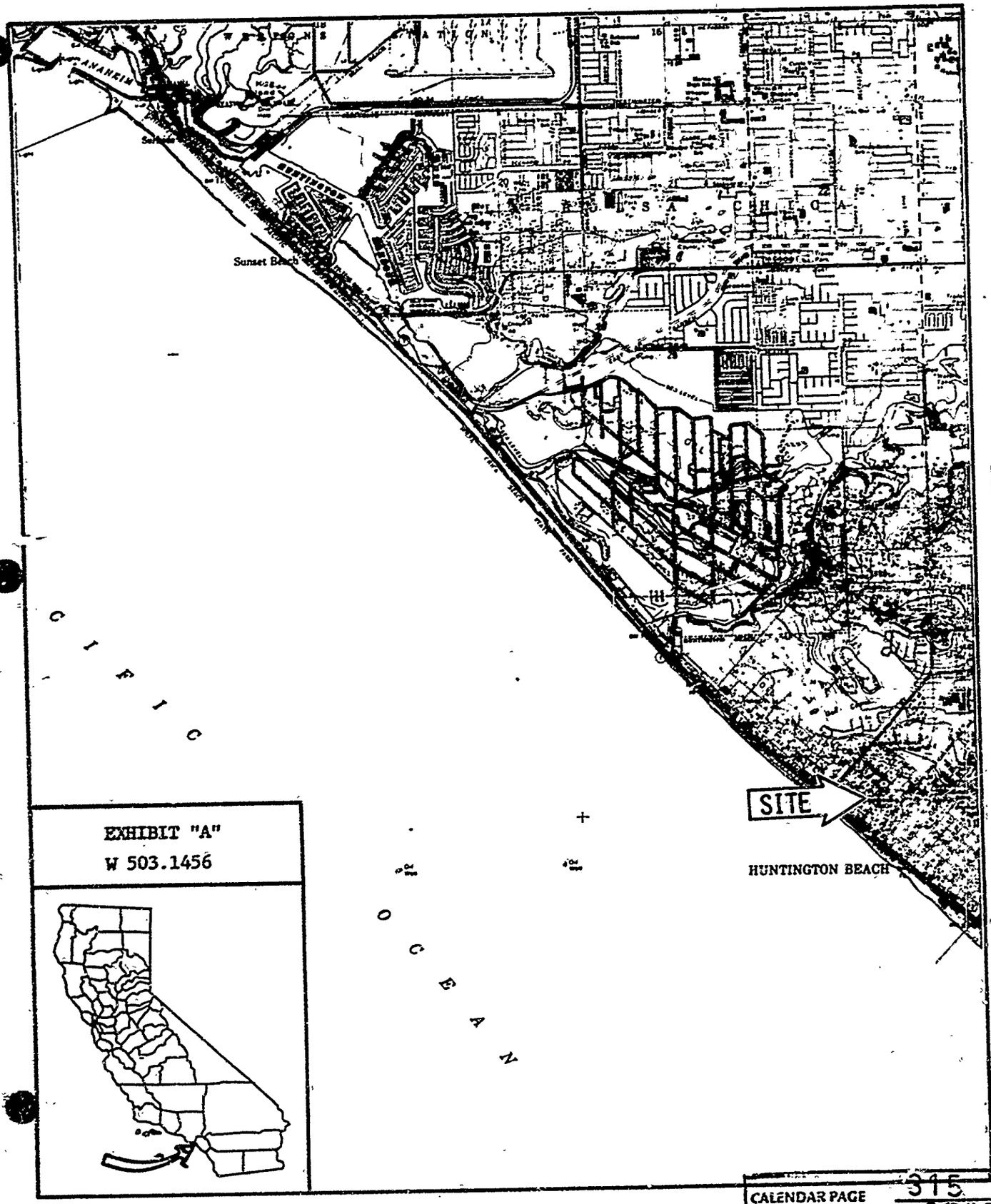
AB 884: N/A.

EXHIBITS: A. Site 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 THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

2. AUTHORIZE THE ATTORNEY GENERAL TO FILE A DISCLAIMER ON BEHALF OF THE STATE LANDS COMMISSION IN THE CASE OF CROWN CENTRAL PETROLEUM CORPORATION V. DURKEE, ET AL., ORANGE COUNTY SUPERIOR COURT, NO. 414934.



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