

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 2
to 0 at its 5-9-88
meeting.

CALENDAR ITEM

A 58

S 29

25

05/09/88
W 10381
Willard

PROPOSED ALAMITOS BAY (MARINE STADIUM) POOLING AGREEMENT
BY THE CITY OF LONG BEACH

APPLICANT: City of Long Beach
333 West Ocean Blvd.
Long Beach, California 90802

AREA, TYPE OF LAND AND LOCATION:
Certain lands within the Alamitos Bay Area,
including the Marina Stadium, which are owned
in fee by the City of Long Beach as tidelands
trustee and lands which are owned by the City
in its proprietary capacity (Exhibit "A").

PROPOSAL: The City of Long Beach has submitted for
approval by the Commission an Agreement for
pooling its lands and mineral ownership and
development rights held in trust with those
lands and mineral ownership and development
rights held by the City in a proprietary
capacity for the orderly and profitable
development of oil and gas from such lands.
The agreement provides for the allocation of
costs and revenues from the production of oil
and gas on a surface acreage basis. Costs
and revenues allocated to trust mineral lands
will be charged or deposited, whichever is
applicable, to the Tideland Oil Revenue Funds
maintained by the City. Costs and revenues
allocated to the City's proprietary lands will
be accounted for in the City's general purpose
fund. The initial surface acreage distribution
of the pooled lands is 74.77 percent
proprietary and 25.23 percent trust lands. The
agreement provides, under specified conditions
of development, for expansion of the pooled
area by including additional trust lands

(ADDED 05/05/88)

CALENDAR PAGE	<u>79</u>
MINUTE PAGE	<u>1488</u>

(CALENDAR ITEM NO. 25 CONT'D)

Also included in the pooled area are lands wherein the City owns as tidelands trustee certain drill-through and drill-site rights. The agreement provides for the pooling and utilization of these rights with City proprietary drill-through rights. In the event the City proposes to commit only drill-through rights the agreement provides that any revenue will be split, 50 percent into the Tidelands Oil Revenue Fund and 50 percent into the City's general purpose fund. In the event the City proposes to commit trust drill-site rights without any proprietary drill-through rights, the resulting revenue would be split, 50 percent in to the Tideland Oil Revenue Fund and 50 percent in to the Tideland Operating Fund. If the proposed commitment involves the trust drill-site and proprietary drill-through rights then resulting revenue would be divided one-third to the Tideland Oil Revenue Fund, one-third to the Tideland Operating Fund and one-third to the City's general purpose fund.

The agreement further provides that any agreements by which the City proposes to commit the oil and gas rights being pooled under this agreement must be approved by the Commission. The agreement also provides that the State Lands Commission will receive copies of geologic and engineering data obtained by the City with respect to exploratory wells in the area.

The proposed pooling agreement will be of benefit to the State and the City in that it will relieve conflicts created by the City of Long Beach acting as owner in trust and as owner in a proprietary capacity.

OTHER PERTINENT INFORMATION:

Pursuant to the Commission's delegation of authority and 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.

(ADDED 05/05/88)

-2-

CALENDAR PAGE	79.1
MINUTE PAGE	1489

(CALENDAR ITEM NO. 25 CONT'D)

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

The Agreement has been approved by the Office
of the Attorney General as to compliance with
law.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

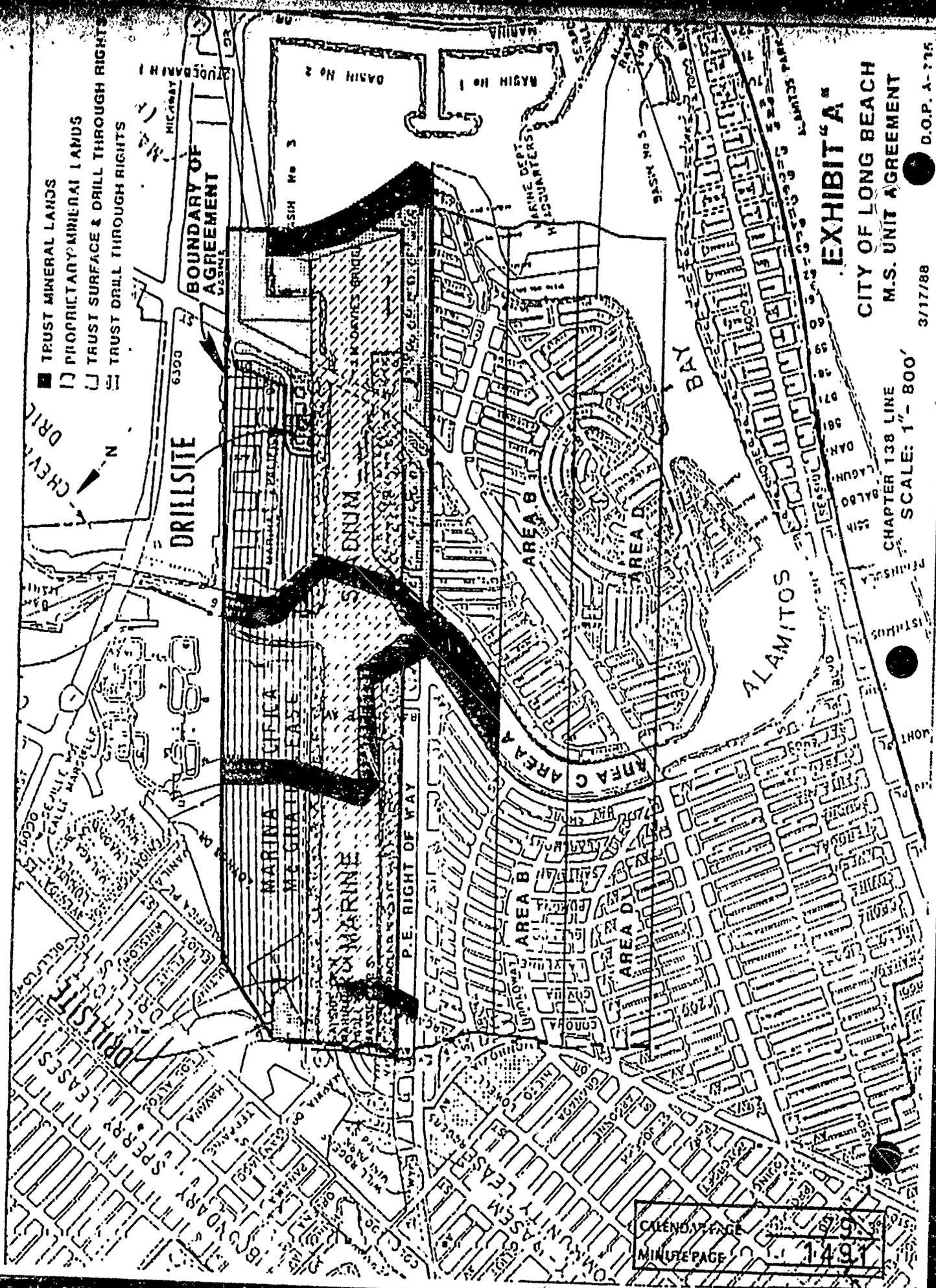
1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. APPROVE THE AGREEMENT PROVIDING FOR THE POOLING OF THE PROPRIETARY AND TRUST PROPERTIES OF THE CITY OF LONG BEACH IN THE ALAMITOS BAY AREA (MARINE STADIUM) ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE MADE A PART HEREOF.

(ADDED 05/05/88)

-3-

CALENDAR PAGE	79.2
MINUTE PAGE	1490

- TRUST MINERAL LANDS
- PROPRIETARY MINERAL LANDS
- ▤ TRUST SURFACE & DRILL THROUGH RIGHTS
- ▥ TRUST DRILL THROUGH RIGHTS



CHAPTER 138 LINE
 SCALE: 1" = 800'

3/17/88 D.O.P. A-775

CALENDAR PAGE 149
 MINUTE PAGE