MINUTE ITEM
This Calendar Item No. C23
was approved as Minute Item
No. 23 by the State Lands
Commission by a vote of 2
to 0 at its 9/14/88
meeting.

CALENDAR ITEM

A 1

C 23

09/14/88
PRC 7119
Hamilton

S 7

QUITCLAIM OF STATE OIL AND GAS LEASE PRC 7119,
BUTTE AND GLENN COUNTIES

LESSEE: The Termo Company
Attn: Ms. Carolyn Listavich
P. O. Box 2767
Long Beach, California 90801

BACKGROUND INFORMATION:

On August 20, 1987, the Commission issued State oil and gas lease PRC 7119 to The Termo Company. The lease contains approximately 93 acres of sovereign land in the bed of the Sacramento River in Butte and Glenn counties, California.

On August 1, 1988, a quitclaim deed for State oil and gas lease PRC 7119 was filed with the Commission. The quitclaim deed was executed by the Lessee on July 21, 1988.

STATUTORY AND OTHER AUTHORITY:

P.R.C. 6804.1 and paragraph 30 of State oil and gas lease PRC 7119 provide that the lessee may make at any time a written quitclaim or relinquishment of all rights under the lease or of any portion of the leased lands comprising a ten-acre parcel or multiple thereof in compact form, or of any separate or distinct zone or geological horizon or portion thereof underlying a ten-acre parcel or multiple thereof in compact form. The quitclaim or

relinquishment will be effective when it is filed with the Commission subject to the continued obligation of the lessee and its surety to pay all accrued rentals and royalties and to abandon all wells drilled on, into or through the leased lands or in the zones or horizons to be quitclaimed or relinquished.

Staff has reviewed information supplied by the Lessee and other data in the files of the Commission and has found no default existing on State oil and gas lease PRC 7119 as of August 1, 1988, the filing date of the quitclaim deed. Therefore, pursuant to P.R.C. 6804.1 and the terms of the lease, the effective date of the quitclaim will be August 1, 1988.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. As of August 1, 1988, all rentals have been paid. No royalties are due as the lease was never developed. One well was drilled near the leased lands and was properly abandoned in accordance with the rules and regulations of the Division of Oil and Gas.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that the acceptance of the quitclaim 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.

EXHIBITS:

A. Land Description (Quitclaimed State Lands - all lands described in State Oil and Gas Lease PRC 7119).

B. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACCEPTANCE OF THE QUITCLAIM IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

2. ACCEPT, IN ACCORDANCE WITH P.R.C. 6804.1 AND THE TERMS OF STATE OIL AND GAS LEASE PRC 7119 DATED AUGUST 20, 1987, THE FULL QUITCLAIM DEED FOR STATE OIL AND GAS LEASE PRC 7119 WHICH WAS DULY EXECUTED BY THE TERMO COMPANY ON JULY 21, 1988. THE EFFECTIVE DATE OF THE LEASE QUITCLAIM WILL BE AUGUST 1, 1988, THE FILING DATE OF THE QUITCLAIM DEED.

EXHIBIT "A"

PRC 7119

LAND DESCRIPTION

(W 40523)

A parcel of California State sovereign land in the bed of the Sacramento River in Sections 17, 20, and 21, T22N, R1W, MDM, Butte County and Glenn County, California, described as follows:

Bounded on the southwest and northeast by the ordinary low water marks along the right and left banks of the Sacramento River; bounded on the northwest by a line bearing S 31°48'00" W from the following described point "A"; BEGINNING at a 4" x 4" concrete monument marking the easterly corner of Lot 1 as shown on the map entitled "Subdivision No. 1 of Gianella Heirs Company" filed for record in Book 10 of Maps Page 1, Butte County Official Records; thence N 70°01' W, along the northeasterly boundary of said Lot 1, a distance of 1,202.7 feet; thence West along the northeasterly boundary of said Lot 1, a distance of 2057.9 feet; thence S 1°59'02"W, a distance of 1186.4 feet; thence N 87°35'08" W, a distance of 2064.5 feet to a 1 inch iron pipe tagged RCE 11128; thence S 13°00'02" W,a distance of 531.7 feet to a 1 inch iron pipe tagged RCE 11128; thence continuing S 13°00'02" W, a distance of 120.3 feet to the southwesterly boundary of said Lot and to said point "A"; bounded on the southeast by a line bearing S 61°14'10" W from the following described point "B"; BEGINNING at the northwest corner of Lot 6 as shown on the above described "Subdivision No. 1 of Gianella Heirs Company"; said point being on the southerly line of State Highway Route No. 32; thence from said point of beginning and continuing along the southerly line of said Highway S 89°32'00" E 7.00 feet to the beginning of a 5030 foot radius curve to the left, thence along the arc of said curve, through a central angle of 02° 16' 42" an arc length of 200.02 feet to the northwest corner of that certain parcel in deed from Pine Creek Orchards, Inc. to Anthony and Jacqualine Santos, recorded September 13, 1968, in Book 1535, at page 179, Butte County, California; thence leaving the southerly line of said of said State Highway Route No. 32 and running along the westerly line of said Santos parcel S 06°12'55" E 1341.48 feet to the southwest corner of said Santos parcel; thence leaving said Santos parcel and running S 84°21'47" W 86.57 feet; thence S 61°50'34" W 1480.00 feet; thence S 27°38'44" E 383.02 feet; thence S 28°13'04" E 811.72 feet; thence S 28°38'14" E 234.52 feet; thence S 59°53'46" W 351.99 feet to a point on the easterly

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bank of the Sacramento River and said point "B".

END OF DESCRIPTION

PREPARED MAY 8, 1987 BY BOUNDARY SERVICES UNIT, M. L. SHAFER, SUPERVISOR.

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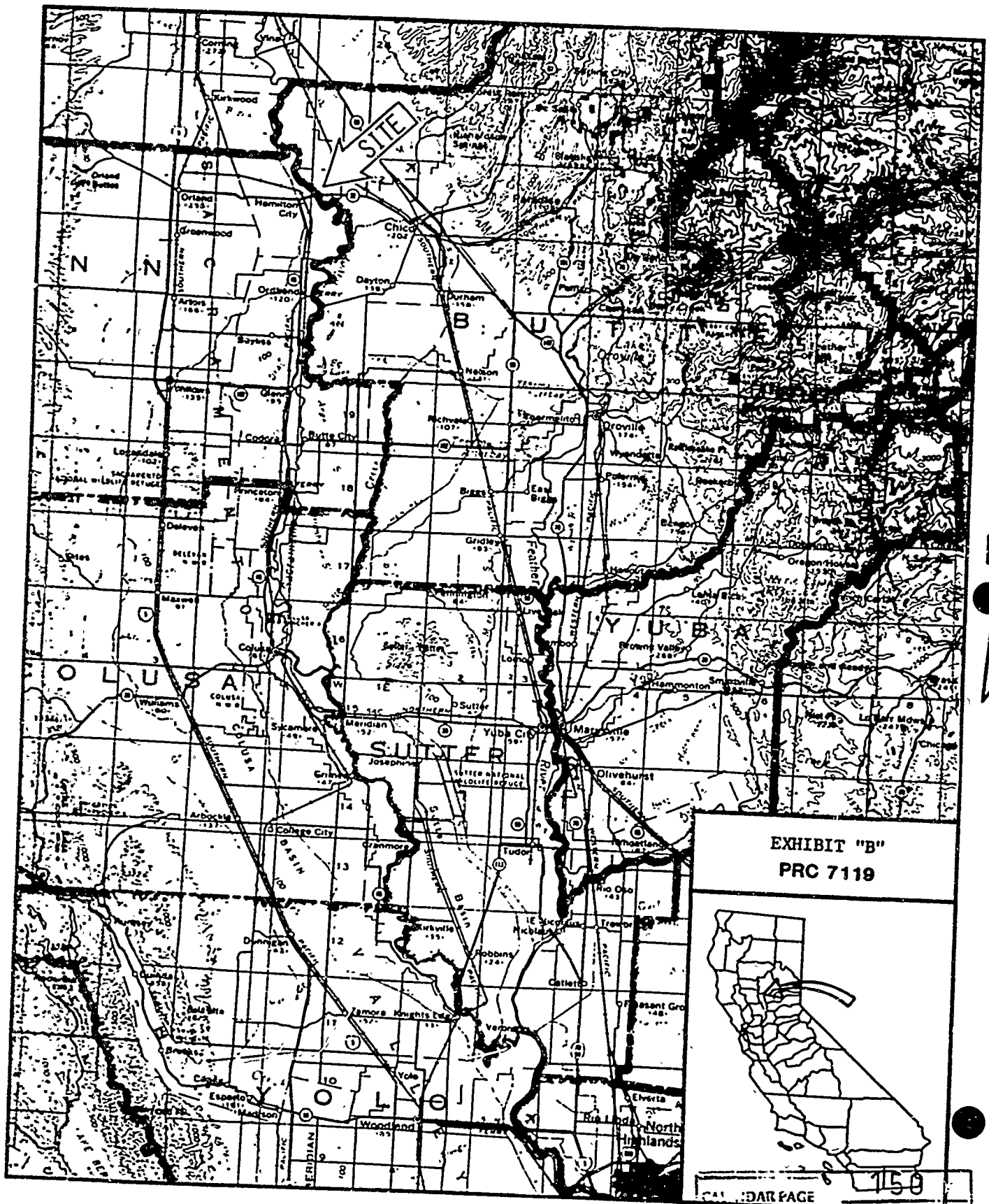

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