

MINUTE ITEM
This Calendar Item No. 52
was approved as Minute Item
No. 52 by the State Lands
Commission by a vote of 2
to 0 at its 12/13/88
meeting.

CALENDAR ITEM

A 58

52

12/13/88
PRC 3095
Willard

S 37

ASSIGNMENT OF STATE OIL AND GAS LEASE PRC 3095

ASSIGNOR: Chevron USA, Inc.
Attn: Mr. Frank Niklas
P.O. Box 6917
Ventura, California 93006

ASSIGNEE: Union Oil Company of California
Attn: Mr. Mike Bridges
9645 South Santa Fe Springs Road
Santa Fe Springs, California 90670

AREA, TYPE OF LAND AND LOCATION:

State oil and gas lease PRC 3095 contains approximately 3,360 acres of tide and submerged lands, located offshore from Seal Beach, Orange County. Chevron USA, Inc. has requested partial assignment of the lease to Union Oil Company of California with Chevron reserving an undivided 50 percent interest below the depth of 7,472 feet (measured depth) in Well No. 317 (see Exhibits "A" and "B").

LEASE INFORMATION:

State Oil and Gas Lease PRC 3095 was issued on January 30, 1964. In March 1984, the Commission approved the replacement of Island Esther, destroyed by a storm, with Platform Esther. The platform was installed and operational in late 1986, and Chevron has been conducting well work since that date.

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(ADDED 12/12/88 - pgs. 299-299.7)

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The clean-up operations following the storm destruction of Island Esther included leveling the displaced rock base material to 20 feet or lower below the mean lower low water. Leveling of the rubble to this depth removed any navigational hazard and was approved by the Corps of Engineers. Retaining the rock base of former Island Esther, upon ultimate abandonment and quitclaim of the lease, as an artificial reef was considered by the Department of Fish and Game and staff of the Coastal Commission and State Lands Commission as the preferred final disposition of the rock.

PREREQUISITE ITEMS:

- A. Assignment forms have been executed by Chevron and Union and are on file in the Long Beach office of the Commission.
- B. Union is qualified to hold State leases.
- C. Filing fee and processing costs have been received.

OTHER PERTINENT INFORMATION:

- 1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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. Code Regs. 15378.

STATUTORY AND OTHER REFERENCES:

- A. Assignment Section of the Lease.
- B. P.R.C. Section 6804

AB 884: N/A.

EXHIBIT: A. Description of Lands To Be Conveyed.
B. Location Map.

CALENDAR ITEM NO. 52 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. CONSENT TO THE PARTIAL ASSIGNMENT OF STATE OIL AND GAS LEASE PRC 3095 FROM CHEVRON USA, INC. TO UNION OIL COMPANY OF CALIFORNIA AS DESCRIBED IN EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF, WITH THE ASSIGNEE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THE LEASE.

EXHIBIT "A"

Description of Lands To Be Conveyed

Portions of State of California Lease PRC 3095.1. The legal description of the tract to be conveyed consists of a parcel of tide and submerged land in San Pedro Bay, Orange County, California, being adjacent to, and southeasterly of the State Oil and Gas Lease designated as PRC 186.1, said parcel being described as follows:

Beginning at the intersection of the ordinary high water mark as shown on a map of the survey of the ordinary high water mark dated June, 1950 prepared under W.O. 416 by the State Lands Commission, with the Northeasterly prolongation of the Southeast Boundary of the Above-mentioned lease PRC 186.1, said point having California Zone 6 coordinates of X = 1,434,615.22, Y = 577,983.12; thence from said point of beginning Southeasterly along the

ordinary high water mark and across the mouth of Anaheim Bay to a point having California Zone 6 coordinates of X = 1,444,140.26, Y = 571,438.38, and which point bears S. 46° 55' 26" W, 158.86 feet from a 1-inch iron pipe located at the intersection of the south right-of-way line of the Pacific Electric Railway and the west line of Anderson Street as shown on the aforementioned State Lands Commission Map; thence leaving the ordinary high water mark and proceeding S 46° 55' 26" W, 18,227.85 feet to a point in San Pedro Bay having California Zone 6 coordinates of X = 1,430,825.78, Y = 558,989.32; thence proceeding Northwestern and parallel to the ordinary high water mark to the intersection of the Southwesterly prolongation of the Southeast boundary line of Lease PRC 186.1; thence Northeasterly along said lease boundary to the point of beginning; said parcel containing 3,360 acres more or less.

Excepting and reserving to Assignor an undivided 50% interest below the depth of 7,472 feet (measured depth) in Well No. 317 and its stratigraphic equivalent in that portion of the above described land as follows:

Beginning at the intersection of the ordinary high water mark as shown on a map of the survey of the ordinary high water mark dated June, 1950 prepared under W.O. 416 by the State Lands Commission, with the Northeasterly prolongation of the Southeast boundary of the above-mentioned Lease PRC 186.1, said point having California Zone 6 coordinates of X = 1,434,615.22, Y = 577,983.12; thence from said point of beginning Southeasterly along the ordinary high water mark and across the mouth of Anaheim Bay to a Point having California Zone 6 Coordinates of X = 1,444,140.26, Y = 571,438.38, and which point bears S 46° 55' 26" W, 158.86 feet from a 1-inch iron pipe located at the intersection of the south right-of-way line of the Pacific Electric Railway and the West line of Anderson Street as shown on the aforementioned State Lands Commission Map; thence leaving the ordinary high water mark and proceeding S 46° 55' 26" W, 7350 feet to a point; thence proceeding Northwesterly to a point on the Southeast boundary line of Lease PRC 186.1; (said point being Southwesterly 3850 feet from the point of

beginning of this description); thence
Northeasterly along said lease boundary 3850
feet to the point of beginning, including
Island/Platform Esther and all personal property
tanks, pipe, separator valve, and etc., located
physically on said platform and three (3) pipeline
to shore, power cable, onshore power substation,
and associated rights-of-way, but excluding any
facilities owned by Chevron Pipeline Company.

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EXHIBIT "B"
STATE LANDS COMMISSION

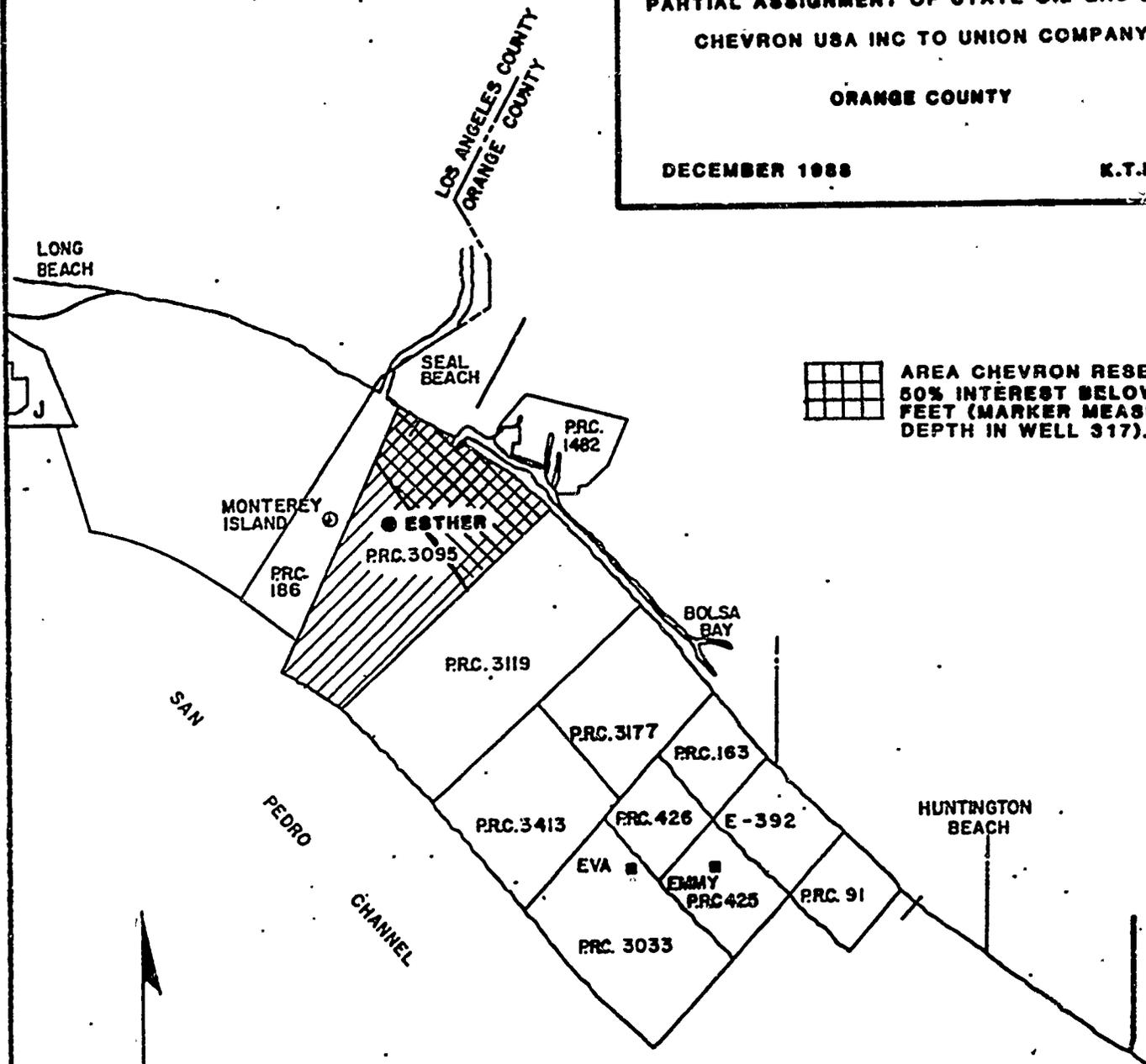
PRC 3095

**PARTIAL ASSIGNMENT OF STATE OIL GAS LEASE
CHEVRON USA INC TO UNION COMPANY**

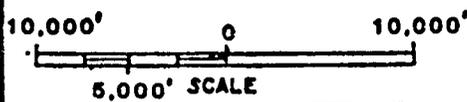
ORANGE COUNTY

DECEMBER 1988

K.T.K.



**AREA CHEVRON RESERVED
50% INTEREST BELOW 7472
FEET (MARKER MEASURED
DEPTH IN WELL 317).**



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