

**MINUTE ITEM**

This Calendar Item No. 23  
was approved as Minute Item  
No. 23 by the State Lands  
Commission by a vote of 3  
to 0 at its 3/27/90  
meeting.

**CALENDAR ITEM**

A 35  
S 18

**23**

03/27/90  
PRC 1961  
PRC 5968  
Townsend

**ASSIGNMENT OF TENNECO OIL COMPANY'S  
FIFTY PERCENT INTEREST IN GENERAL LEASES - RIGHT-OF-WAY USE  
PRC 1961 AND PRC 5968**

**ASSIGNOR:** Tenneco Oil Company  
Attn: R. E. McPhetridge,  
Attorney-in-Fact  
10000 Ming Avenue  
Bakersfield, California 93311

**ASSIGNEE:** TOC-Pacific Coast, Inc.  
Attn: Paul B. Norgaard,  
Vice President  
4550 California Avenue  
Bakersfield, California 93389

**AREA, TYPE LAND AND LOCATION:**  
An approximate .93-acre parcel (PRC 1961) and  
an approximate 1.2-acre parcel (PRC 5968) of  
tide and submerged land located in the Pacific  
Ocean near Rincon Point, Ventura County.

**LAND USE:** (PRC 1961) A causeway which provides access to  
Rincon Island (State oil and gas lease PRC 1466)  
  
(PRC 5968) An existing pier and appurtenant  
pipeline which connects State oil and gas lease  
PRC 429 to onshore facilities.

CALENDAR ITEM NO. 23 (CONT'D)

TERMS OF LEASES:

PRC 1961.

Initial period: Forty-nine (49) years, or until termination of State oil and gas lease PRC 1466, whichever occurs first, beginning October 10, 1957.

Consideration: \$50 being the total rental for the lease term.

PRC 5968

Initial period: Twenty-eight (28) years, three (3) months beginning February 15, 1981.

Consideration: \$860 per annum, with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

PRC 1961 and PRC 5968  
Bond

Bush Oil Company has provided a Letter of Credit in the amount of \$4,000,000 for leases PRC 410, PRC 429, PRC 1466, PRC 1961, and PRC 5968.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

APPLICANT STATUS:

Applicant is permittee of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fees and processing costs for the assignment of both leases have been received.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 2, Div. 3;  
Title 14, Div. 6.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. Lease PRC 1961 was issued on October 23, 1957 to Atlantic Richfield Company. The lease was assigned in September 1982 to Norris Oil Company. In June 1987, Berry Petroleum acquired the stock of Norris and changed its name to Bush Oil Company, a wholly owned subsidiary of Berry Petroleum Company. Tenneco acquired its interest in the lease by assignment from Bush in November 1987. Lease PRC 5968 was issued on May 25, 1981 to Norris Oil Company. Assignment and transfer of the leasehold to Bush and then Tenneco was simultaneous with PRC 1961.

Tenneco Oil Company has requested approval for assignment of its fifty percent (50%) interest in General Leases - Right-of-Way Use PRC 1961 and PRC 5968 to TOC-Pacific Coast, Inc., a wholly owned subsidiary of Tenneco Oil Company. The purpose of the assignment was to transfer TOC-Pacific Coast and its assets, by merger, into Atlantic Richfield Company. Copies of the Certificate of Merger are on file in the main offices of the Commission. By its action of February 6, 1989, Minute Item 54, the Commission gave its consent for the assignment of Tenneco Oil Company's fifty percent (50%) interest in State oil and gas leases PRC 410, PRC 429, and PRC 1466 to TOC-Pacific Coast, Inc. and the Agreement of Merger of TOC-Pacific Coast, Inc. with Atlantic Richfield Company.

2. 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 the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

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

CALENDAR ITEM NO. 23 (CONT'D)

EXHIBITS:

- A. Land Description for PRC 1961.
- B. Location Map for PRC 1961.
- C. Land Description for PRC 5968
- D. Location Map for PRC 5968

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. CONSENT TO THE ASSIGNMENT OF TENNECO OIL COMPANY'S FIFTY PERCENT (50%) INTEREST IN GENERAL LEASES - RIGHT-OF-WAY USE PRC 1961 AND PRC 5968 TO TOC-PACIFIC COAST, INC., EFFECTIVE APRIL 15, 1990, AND THE AGREEMENT OF MERGER OF TOC-PACIFIC COAST, INC. WITH ATLANTIC RICHFIELD COMPANY WITH THE ASSIGNEE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THE LEASES.

EXHIBIT "A"

LAND DESCRIPTION

PRC 1961

A strip of land 90 feet wide, lying between the ordinary high water mark of the Pacific Ocean and the north line of State Oil and Gas Lease P.R.C. 1466.1 lying 45 feet on each side of the following described centerline:

BEGINNING at a point which is located 127.73 West (astronomically) from the Division of State Lands Survey Station "Gorda 2" relocated; thence from said point S 11°15'34" W to the said north line of State Oil and Gas Lease P.R.C. 1466.1

END OF DESCRIPTION

REVIEWED NOVEMBER 4, 1987, BY BIU 1.

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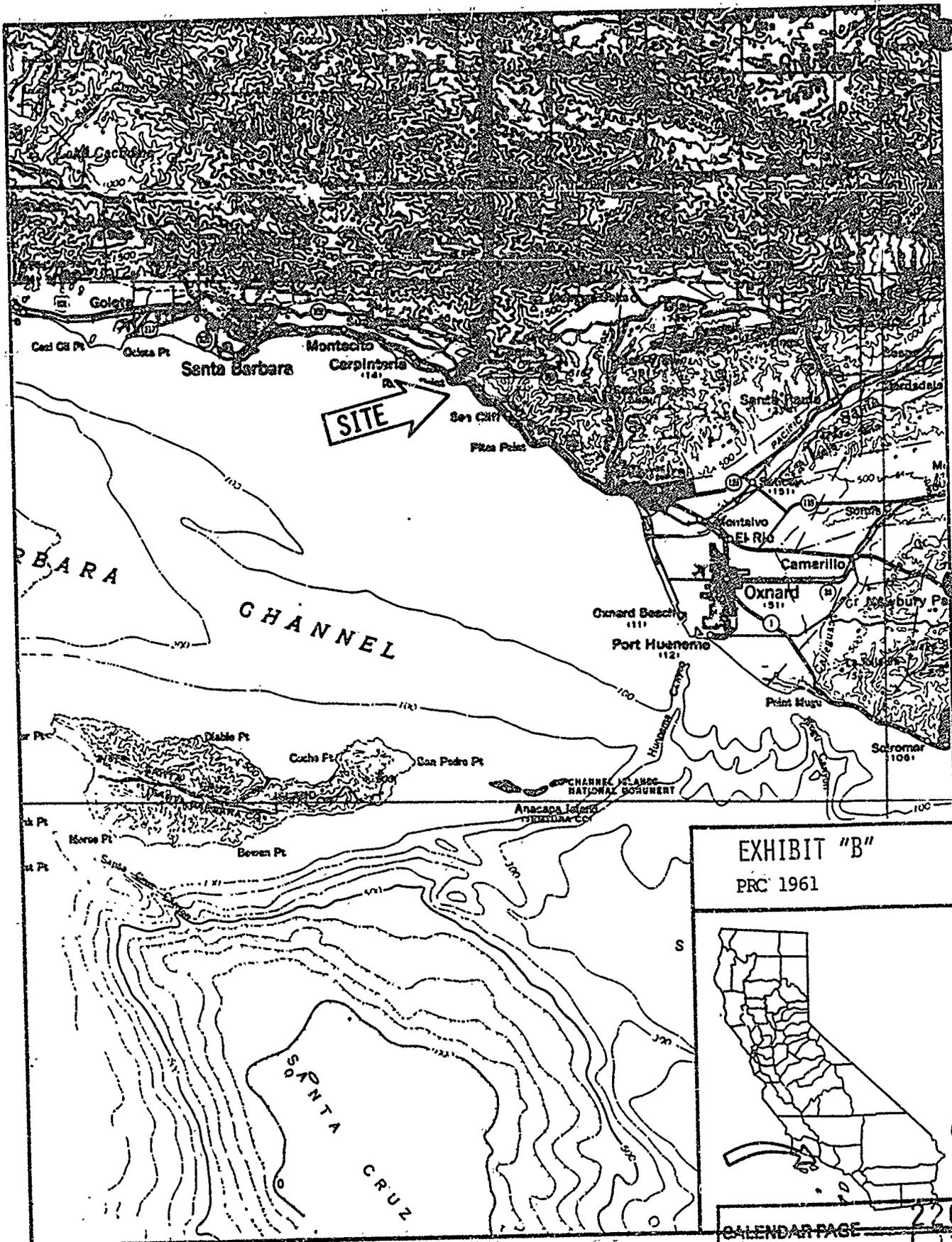


EXHIBIT "B"  
 PRC 1961



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EXHIBIT "C"

LAND DESCRIPTION

PRC 5968

A strip of State-owned tide and submerged land situated in the Pacific Ocean, Ventura County, California, said strip lying 10 feet on each side of the following described centerline:

COMMENCING at a point on the northerly corner of lease P.R.C. 427 said corner marked by a monument designated as Monument No. 9 on that certain map entitled "Map of Areas in the Vicinity of Seacliff, Ventura County, California, covered by permits and leases granted under Chapter 303, Statutes of California, 1921," approved September 1, 1930, which map was filed in the Office of the Recorder of Ventura County, State of California, on October 8, 1930, in file No. 19 (1930), said Monument No. 9 having California State Coordinate of 1927, Zone 6, Y = 313,609.44, X = 1,569,472.08; thence S 45°57'51" E, 660.92 feet to the POINT OF BEGINNING, said point of beginning having California State Coordinate of 1927, Zone 6, Y = 313,150.03, X = 1,569,947.22, said point of beginning being the centerline of the existing pier, thence the following five courses:

1. S 47°27'20" W 100.00 feet
2. N 87°48'02" W 595.37 feet
3. N 87°47'56" W 128.62 feet
4. S 46°51'34" W 988.46 feet
5. N 89°31'45" W 1236.11 feet

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark, and any portion lying within State Lease No. P.R.C. 429.

END OF DESCRIPTION

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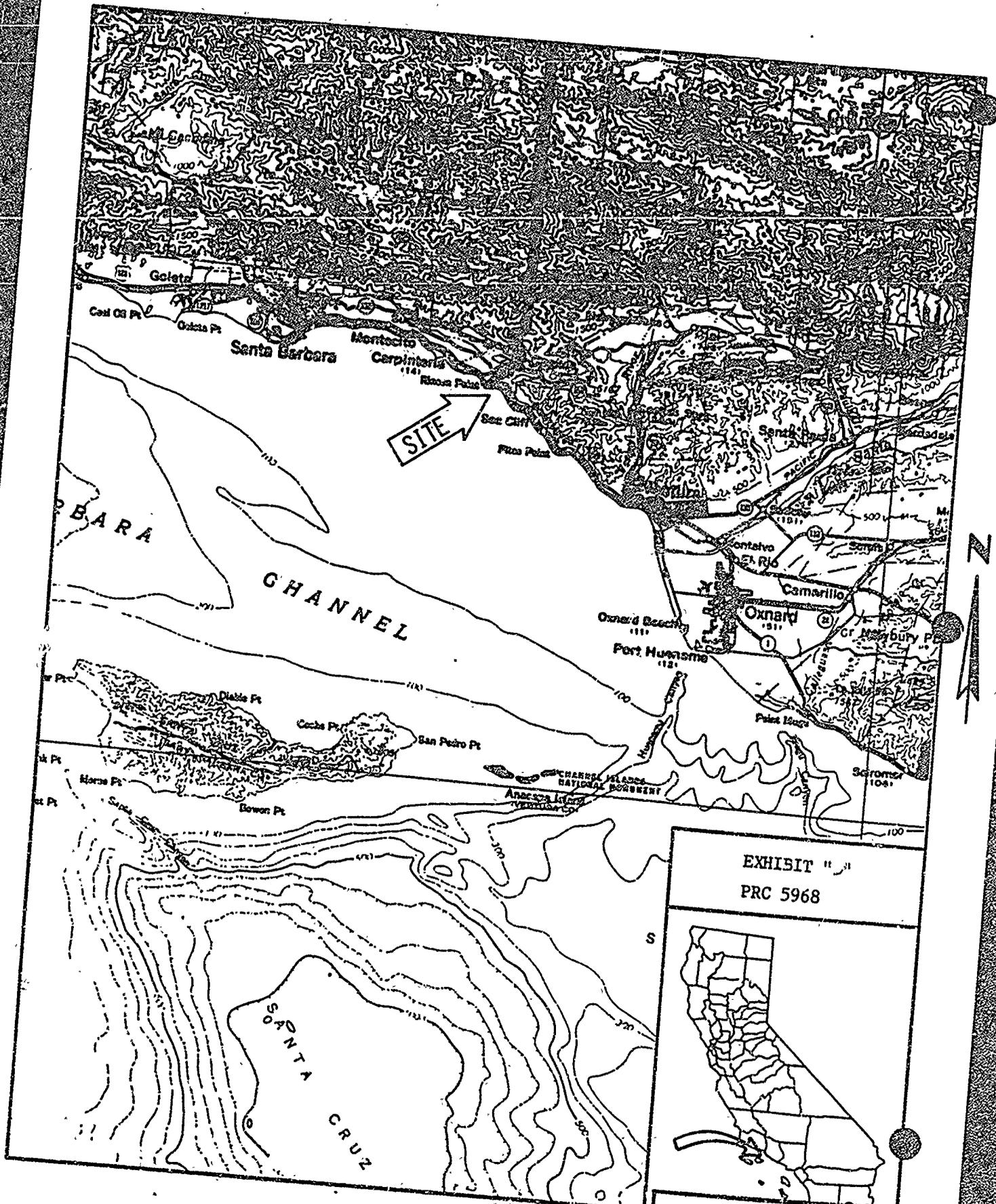


EXHIBIT "A"  
 PRC 5968



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