

**MINUTE ITEM**

This Calendar Item No. 025  
was approved as Minute Item  
No. 022 by the State Lands  
Commission by a vote of 2  
to 0 at its 10/29/90  
meeting.

**CALENDAR ITEM**

**025**

A 35, 37

S 18

10/29/90  
PRC 2920  
Nitsche

**DEFERMENT OF DRILLING OBLIGATION  
STATE OIL AND GAS LEASE PRC 2920  
SANTA BARBARA COUNTY**

**APPLICANT:** Shell Western E&P, Inc. (SWEPI)  
P. O. Box 11164  
Bakersfield, California 93389-1164

**AREA, TYPE AND LOCATION OF STATE LAND.**  
State oil and gas lease PRC 2920 contains  
approximately 4,250.14 acres of submerged lands  
located in the Molino area, Santa Barbara  
County.

**LEASE INFORMATION:**

The lease was issued on August 28, 1962 to Standard Oil Company  
of California, (now Chevron U.S.A., Inc.); and Shell Oil  
Company, (now SWEPI), for a cash bid bonus bid of  
\$14,080,713 82. SWEPI is the operator of this lease.

By letter dated August 20, 1990, SWEPI Inc. is requesting a  
two-year deferment of drilling obligations commencing October 1,  
1989 (six months after cessation of production) through  
September 30, 1991. This drilling deferment would allow SWEPI  
to evaluate other development scenarios.

CALENDAR ITEM NO. C 2 5 (CONT'D)

AB 884: N/A.

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

Authority: P.R.C. 21056 and 14 Cal. Code Regs. 15378.

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. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. APPROVE A DEFERMENT OF THE DRILLING OBLIGATION UNDER STATE OIL AND GAS LEASE PRC 2920 COMMENCING OCTOBER 1, 1989 THROUGH SEPTEMBER 30, 1991.

