MINUTE ITEM
This Calendar Item No. C10
was approved as Minute Item
No. 10 by the State Lands
Commission by a vote of 3
0 at its 2/5/92.
Meeting.

CALENDAR ITEM

A 35, 37

S 18

C 10

02/05/92
PRC 3498
Nitsche

ACCEPT QUITCLAIM DEED OF STATE OIL & GAS LEASE PRC 3498
SANTA BARBARA COUNTY

LESSEE:
Chevron U.S.A. Inc.
Attn: Marcia D. Barabash,
Land Representative
P.O. Box 1635
Houston, Texas 77251

SUMMARY:
On June 15, 1966, for a competitive cash bonus bid of $45,623, the Commission awarded to Standard Oil Company of California (now Chevron U.S.A. Inc.) (50 percent), and Humble Oil and Refining Company (50 percent) (Exxon Company U.S.A.), State oil and gas lease PRC 3498, Santa Barbara County. This lease contains approximately 1,165 acres of submerged land located in the South Ellwood offshore area, Santa Barbara Channel. Chevron U.S.A., Inc., as operator, desires to quitclaim this lease back to the State.

On December 9, 1991, a full quitclaim deed for State oil and gas lease PRC 3498 was filed with the Commission. This deed was duly executed on November 27, 1991 and surrendered to the State all of the leased lands located within State oil and gas lease PRC 3498, Santa Barbara County.

According to the records of the Commission, the lessee has complied with all provisions of the lease and applicable statutes and no default exists on State oil and gas lease PRC 3498.

Therefore, pursuant to P.R.C. 6804.1 and the terms of the lease, the effective date of the quitclaim will be December 9, 1991, the filing date of the quitclaim deed.

STATUTORY AND OTHER AUTHORITY:
P.R.C. 6804.1 and Paragraph 5 of State oil and gas lease PRC 3498 allow the Lessee to make, at any time, a written quitclaim or relinquishment of all rights under the lease or any portion of the leased lands comprising

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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, if any, and to abandon any wells drilled on, into, or through the leased lands or in the zones or horizons to be quitclaimed or relinquished.

AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. As of December 9, 1991, all rentals have been paid. No royalties are due, since the lease was never developed. No wells were drilled on this lease and the lease has been found to be free of seafloor debris.

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Code Regs. 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 and the State CEQA Guidelines.

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

EXHIBIT:

A. 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. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.

2. ACCEPT, IN ACCORDANCE WITH P.R.C. 6804.1 AND THE TERMS OF STATE OIL AND GAS LEASE PRC 3498 DATED JUNE 15, 1966, THE FULL QUITCLAIM DEED FOR STATE OIL AND GAS LEASE PRC 3498 WHICH WAS DULY EXECUTED ON NOVEMBER 27, 1991. THE EFFECTIVE DATE OF THE LEASE QUITCLAIM DEED WILL BE DECEMBER 9, 1991, THE FILING DATE OF THE QUITCLAIM DEED.

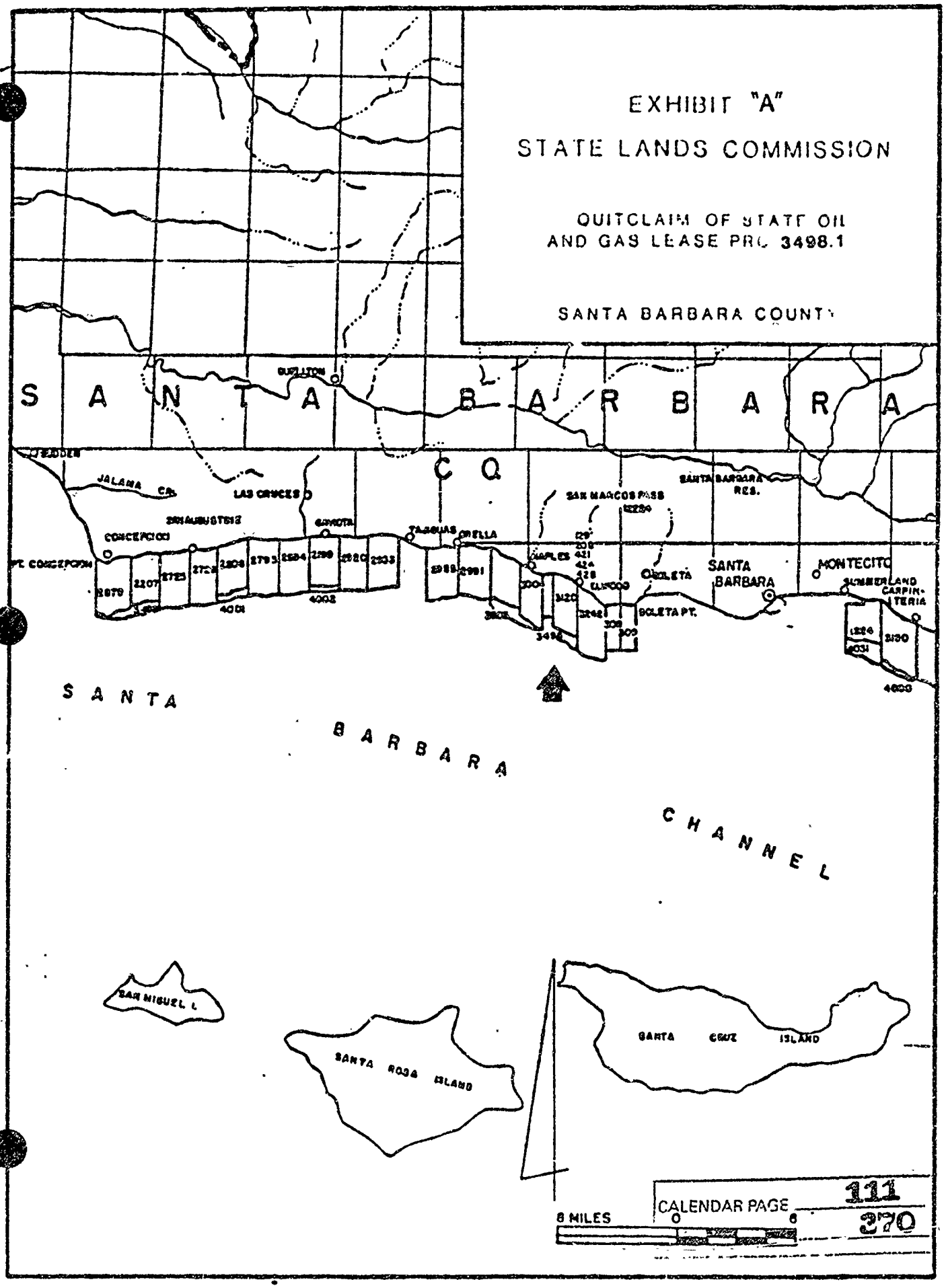
EXHIBIT "A"
STATE LANDS COMMISSION
QUITCLAIM OF STATE OIL
AND GAS LEASE PRC 3498.1
SANTA BARBARA COUNTY
SANTA BARBARA
JALAMA CR.
LAS CRUCES
CONCEPCION
PT. CONCEPCION
GAVIOTA
TAJIGUAS
ORELLA
SAN MARCOS PASS
SANTA BARBARA RES.
GOLETA
SANTA BARBARA
MONTECITO
SUMMERLAND
CARPINTERIA
GOLETA PT.
SANTA BARBARA CHANNEL
SAN MIGUEL I.
SANTA ROSA ISLAND
SANTA CRUZ ISLAND
8 MILES
0
8
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