

CALENDAR ITEM
C82

MINUTE ITEM
This Calendar Item No. C82
was approved as Minute Item
No. 82 by the State Land
Commission by a vote of 3
to 0 at its 7/6/95
meeting.

A 26

07/06/95

S 5

PRC 6996

Nitsche

APPROVE ASSIGNMENT OF NEGOTIATED SUBSURFACE
(NO SURFACE USE) STATE OIL AND GAS LEASE PRC 6996,
38.56 ACRES IN THE BED OF WHITE SLOUGH,
SAN JOAQUIN COUNTY

LESSEE/ASSIGNOR:

Estate of Corbin J. Robertson
P. O. Box 3331
Houston, Texas 77253

ASSIGNEE:

SRK Holdings LLC
Attention: Mr. Robert T. Perkins
5601 Truxton Avenue, Suite 250
Bakersfield, CA 93309

AREA, TYPE LAND AND LOCATION:

The lease contains approximately 38.56 acres of tide and submerged land in the bed of White Slough in San Joaquin County, California.

BACKGROUND:

Negotiated subsurface (no surface use) State oil and gas lease PRC 6996 was entered into on June 26, 1986, between the State Lands Commission (Commission) and Corbin J. Robertson (Lessee). The lease contains approximately 38.56 acres of tide and submerged land in the bed of White Slough in San Joaquin County, California (leased lands). Currently, State oil and gas lease PRC 6996 is producing gas under the authorized Unit Agreement entitled the "Moresco Gas Unit".

Lease Paragraph 29 allows the Lessee, with Commission approval, to assign any portion of the lease to an individual who possesses the qualifications specified in

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P.R.C. 6801. The lease also specifies that the assignment will take effect on the first day of the month following Commission approval.

In documents filed on May 19, 1995, the Lessee proposes to assign all of its 100 percent interest in the lease to SRK Holdings LLC. Commission staff has reviewed the documents and lease files and has found that: (1) the Assignee is qualified under P.R.C. 6801 to hold the lease, (2) the Lessee has complied with all lease provisions and no default exists.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee, processing costs and required documentation have been received and are on file in the Commission's Long Beach Office.

Bond or other security in the sum of \$5,000 has been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C. 6081, P.R.C. 6804 and P.R.C. 6507.
- B. Lease Paragraph 29.
- C. Lease Exhibit "A".

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. 21065 and 14 Cal. Code Regs. 15378.

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EXHIBITS:

- A. Land Description
- B. Site Map
- C. Lease 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 THE ASSIGNMENT OF AN UNDIVIDED 100 PERCENT INTEREST IN STATE OIL AND GAS LEASE PRC 6996 FROM THE ESTATE OF CORBIN S. ROBERTSON (LESSEE/ASSIGNOR) TO SRK HOLDINGS LLC (ASSIGNEE). COMMISSION APPROVAL OF THIS ASSIGNMENT IS GIVEN UPON THE CONDITIONS THAT THE ASSIGNMENT WILL NOT RELEASE THE ASSIGNOR FROM ANY OBLIGATION TO THE COMMISSION UNDER THE LEASE, ANY CONDITIONS IN ANY ASSIGNMENT AGREEMENT TO THE CONTRARY NOTWITHSTANDING, AND THAT THE ASSIGNEE WILL BE BOUND BY THE LEASE, INCLUDING ANY MODIFICATIONS AND COLLATERAL AGREEMENTS, TO THE SAME EXTENT AS THE ASSIGNOR, ANY CONDITIONS IN ANY ASSIGNMENT AGREEMENT TO THE CONTRARY NOTWITHSTANDING. PURSUANT TO LEASE PARAGRAPH 29, THIS ASSIGNMENT WILL TAKE EFFECT ON AUGUST 1, 1995.
3. AUTHORIZE THE EXECUTION OF ANY DOCUMENT NECESSARY TO EFFECT THE COMMISSION'S ACTION.

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EXHIBIT "A"

LAND DESCRIPTION

PRC 6996

Two parcels of tide and submerged land in the natural bed of White Slough in San Joaquin County, California, said parcels described as follows:

PARCEL 1

That portion of the natural bed of White Slough lying within Sections 22 and 27, T3N, R5E, MDM, bounded on the east by the west line of Parcel One of the Rio Blanco Ranch, a California corporation, said natural bed of White Slough, on said easterly end, extending no further south than the southerly terminous of that course being S 50° 20' E, 440 feet, and no further north than the northerly terminous of that course being S 52° 10' W 300 feet, as described by Deed recorded May 4, 1959, in Book 2173, page 41 of Official Records, San Joaquin County, and on the west by the northerly prolongation of the west line of Parcel One of the Deed to Edward H. Piacentini, et ux, recorded March 10, 1952, in Book 1401, page 95 of Official Records, San Joaquin County.

PARCEL 2

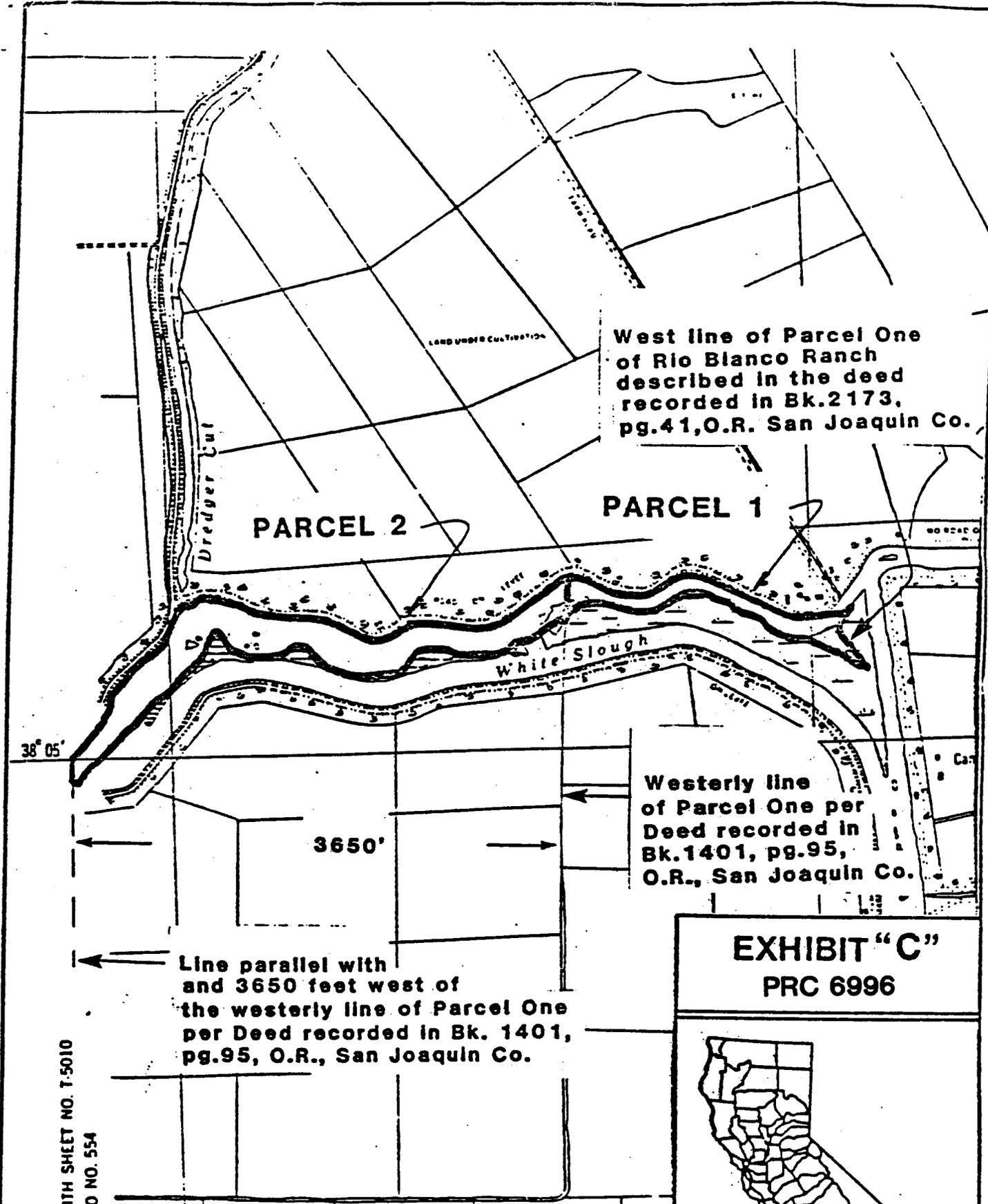
That portion of the natural bed of White Slough lying within Sections 27 and 28, T3N, R5E, MDM, bounded on the east by the northerly prolongation of the west line of Parcel One of the Deed to Edward H. Piacentini, et ux, recorded March 10, 1952, in Book 1401, page 95 of Official Records, San Joaquin County, and on the west by the northerly prolongation of a line parallel with and 3,650 feet west of said westerly line of Parcel One of the Deed to Edward H. Piacentini.

END OF DESCRIPTION

PREPARED JUNE 4, 1986 BY BOUNDARY SERVICES UNIT, M. L. SHAFER, SUPERVISOR.

PARCEL ONE CONTAINING 10.98 ACRES, MORE OR LESS, AND PARCEL TWO CONTAINING 27.58 ACRES, MORE OR LESS, WITH BOTH PARCELS OF STATE LANDS COVERING AN AREA OF 38.56 ACRES, MORE OR LESS.

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West line of Parcel One of Rio Blanco Ranch described in the deed recorded in Bk.2173, pg.41,O.R. San Joaquin Co.

PARCEL 2 PARCEL 1

White Slough

38° 05'

3650'

Westerly line of Parcel One per Deed recorded in Bk.1401, pg.95, O.R., San Joaquin Co.

Line parallel with and 3650 feet west of the westerly line of Parcel One per Deed recorded in Bk. 1401, pg.95, O.R., San Joaquin Co.

WITH SHEET NO. T-5010 TO NO. 554

EXHIBIT "C"
PRC 6996



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