

MINUTE ITEM

This Calendar Item No. 159 was approved as
Minute Item No. 59 by the California State Lands
Commission by a vote of 3 to 0 at its
12/7/95 meeting.

**CALENDAR ITEM
C59**

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12/07/95
PRC 7658
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S 1

**ACCEPT THE FULL QUITCLAIM OF
NEGOTIATED SUBSURFACE (NO SURFACE USE)
STATE OIL AND GAS LEASE PRC 7658
(539 ACRES UNDER THE SACRAMENTO RIVER),
YOLO AND SUTTER COUNTIES**

LESSEE:

Montis Niger, Inc.
Attn: Herbert H. Brown
Three Radnor Corporate Center, #400
Radnor, Pennsylvania 19087

BACKGROUND:

Negotiated subsurface (no surface use) State Oil and Gas Lease PRC 7658 (Lease) was issued to Black Mountain Oil Company on September 23, 1992 and contains 539 acres of tide, submerged and proprietary lands in the bed and vicinity of the Sacramento River in Yolo and Sutter Counties, California (leased lands). Black Mountain Oil Company assigned 100 percent interest in State Oil and Gas Lease PRC 7658 to Montis Niger, Inc., on January 1, 1993. Under the terms of the Lease, the lessee is required to pay an annual rental of \$25 per acre (\$13,475 for 539 acres) and commence drilling operations on the leased lands within three years. No wells have been drilled on or into the leased lands.

Public Resources Code Section 6804.1 and Lease Paragraph 30 permit the lessee to make at any time a written quitclaim of all rights under the lease or of any portion of the leased lands comprising a ten-acre parcel or multiple thereof in a compact form. The quitclaim will be effective when it is filed with the State subject to the continued obligation of the lessee and its surety to pay all accrued rentals and royalties and to abandon all wells drilled on the leased lands.

On October 10, 1995, the Commission received a "(Full) Quitclaim Deed for State Oil and Gas Lease". This document was dated September 27, 1995, and quitclaims back

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to the State all of the lessee's right, title and interest in the leased lands described in Exhibit "A" of State Oil and Gas Lease PRC 7658 dated September 23, 1992.

A review of the Commission's files reveals that no default exists on the Lease, that the lessee has complied with all applicable laws and Lease provisions and has paid all rentals. No royalty is due as the leased lands were not developed.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6804.1 and Lease Paragraph 30.

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

Authority: Public Resources Code Section 21084 and 14 Cal. Code Regs. 15378.

EXHIBITS:

- A. Land Description
B. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THE ACTIVITY EXEMPT FROM THE REQUIREMENTS OF THE CEQA, PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL. CODE REGS. 15378.
2. ACCEPT FROM MONTIS NIGER, INC. (LESSEE) THE (FULL) QUITCLAIM

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DEED FOR STATE OIL AND GAS LEASE DATED SEPTEMBER 27, 1995, WHERE THE LESSEE QUITCLAIMS BACK TO THE STATE ALL RIGHT, TITLE AND INTEREST IN THE LEASED LANDS DESCRIBED IN EXHIBIT "A" OF STATE OIL AND GAS LEASE PRC 7658 DATED SEPTEMBER 23, 1992.

3. RELEASE MONTIS NIGER, INC. FROM ALL OBLIGATIONS UNDER STATE OIL AND GAS LEASE PRC 7658 EFFECTIVE OCTOBER 10, 1995, THE FILING DATE OF THE QUITCLAIM DEED.
4. AUTHORIZE THE EXECUTION OF ANY DOCUMENT NECESSARY TO EFFECT THE COMMISSION'S ACTION.

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LAND DESCRIPTION

THOSE PARCELS OF STATE OWNED LAND IN YOLO AND SUTTER COUNTIES, CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 1

ALL THAT SUBMERGED LAND IN THE BED OF THE SACRAMENTO RIVER IN SECTIONS 2, 3, 11, 14, T11N, R2E; SECTIONS 12, 13, 24, 25, T12N, R1E; SECTIONS 7, 18, 19, 21, 22, 26, 27, 28, 29, 30, 34, 35, T12N, R2E, MDM

EXCEPTING THEREFROM THAT PORTION WITHIN THE N1/3 OF SECTION 12, T12N, R1E, MDM, AND THAT PORTION WITHIN PRC 7282 IN SECTION 14, T11N R2E, MDM, FILED IN THE RECORDS OF THE STATE LANDS COMMISSION. SAID PRC 7282 WAS RECORDED FEBRUARY 24, 1989 IN BOOK 1290 PAGE 542, OFFICIAL RECORDS OF SUTTER COUNTY; AND RECORDED MARCH 22, 1989 IN BOOK 2011 PAGE 383, OFFICIAL RECORDS OF YOLO COUNTY.

ALSO EXCEPTING THEREFROM ANY PORTION LYING LANDWARD OF THE ORDINARY LOW WATER MARKS OF SAID RIVER.

PARCEL 2

ALL THAT LAND AS DESCRIBED IN THE DEED RECORDED IN BOOK 539, PAGE 352 ON APRIL 15, 1958, FILED IN THE COUNTY RECORDER'S OFFICE OF YOLO COUNTY, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WESTERLY LINE OF CALIFORNIA STATE HIGHWAY NO. 45 RIGHT OF WAY, SAID POINT BEING A DISTANCE OF 40 FEET MEASURED AT RIGHT ANGLES FROM THE INTERSECTION OF THE CENTERLINE OF SAID RIGHT OF WAY OF STATE HIGHWAY AND THE CENTERLINE OF SYCAMORE SLOUGH, AS DEFINED BY GRANT OF RIGHT OF WAY BY RIVER GARDEN FARMS OF CALIFORNIA DATED SEPTEMBER 8, 1938 AND RECORDED SEPTEMBER 22, 1938, IN BOOK 117 AT PAGE 335, OF OFFICIAL RECORDS OF THE COUNTY OF YOLO; THENCE FROM SAID POINT OF BEGINNING N 38° 07' 30" W, 83.00 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A RADIUS OF 410.00 FEET, THROUGH A CENTRAL ANGLE OF 32° 02', FOR AN ARC LENGTH OF 229.23 FEET; THENCE TANGENT TO THE PRECEDING CURVE N 70° 09' 30" W, 166.93 FEET TO THE INTERSECTION OF THE SOUTHWESTERLY LINE OF SAID STATE HIGHWAY RIGHT OF WAY AND THE EASTERLY LINE OF THE ABANDONED RIVER FARMS BRANCH OF THE SOUTHERN PACIFIC RAILROAD RIGHT OF WAY; THENCE CONTINUING ALONG SAID SOUTHWESTERLY LINE N 70° 09' 30" W, 113.0 FEET; THENCE S 68° 30' W, 55 FEET; THENCE ALONG A CURVE TO THE LEFT, HAVING A CHORD BEARING OF S 15° 24' E, HAVING A RADIUS OF 1507.69 FEET, FOR AN ARC LENGTH OF 314.00 FEET; THENCE S 24° 17' E, 235.00 FEET, TO THE CENTERLINE OF SYCAMORE SLOUGH; THENCE IN AN EASTERLY DIRECTION ALONG THE CENTERLINE OF SYCAMORE SLOUGH, A DISTANCE OF 450.00 FEET, TO THE WESTERLY LINE OF CALIFORNIA STATE HIGHWAY NO. 45 RIGHT OF WAY AND THE POINT OF BEGINNING.

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PARCEL 3

A PORTION OF THAT TRACT OF LAND SITUATED IN LOT 37 OF JIMENO RANCHO, NEAR A BEND IN THE SACRAMENTO RIVER. LOCALLY KNOWN AS "COLLINS EDDY", SAID PORTION OF LAND BEING A PART OF SAID LOT LYING ON THE WESTERLY SIDE OF THE GENERAL COURSE OF THE SACRAMENTO RIVER, BETWEEN THE RECLAMATION LEVEE OF RECLAMATION DISTRICT NO. 108, AND SAID "COLLINS EDDY", AT THE EXTREME EASTERLY END THEREOF, BEING IN THE COUNTY OF YOLO, STATE OF CALIFORNIA, AS DELINEATED ON THAT CERTAIN MAP ENTITLED "PORTION OF RIVER GARDEN FARMS COMPANY'S TRACT AT COLLINS EDDY ON THE SACRAMENTO RIVER, CALIFORNIA, SHOWING LANDS FOR WHICH TITLES, EASEMENTS, ETC., ARE REQUIRED FOR RECTIFICATION OF THE CHANNEL UNDER THE SACRAMENTO RIVER FLOOD CONTROL PROJECT SCALE 1"=400' ENGINEER OFFICE, U. S. ARMY, THIRD SAN FRANCISCO DISTRICT, SAN FRANCISCO, CALIFORNIA, MARCH 17, 1917", AND COMBINING AND INCLUDING ALL OF THE FOUR PARCELS SHOWN THEREON AS PARCELS "A", "B", "C" AND THAT PARCEL OF LAND IN SEVERANCE, EASTERLY OF PARCEL "C" AND BOUNDED ON THE REMAINING SIDES BY THE RIGHT BANK OF THE SACRAMENTO RIVER, AND BEING DESCRIBED AS FOLLOWS:

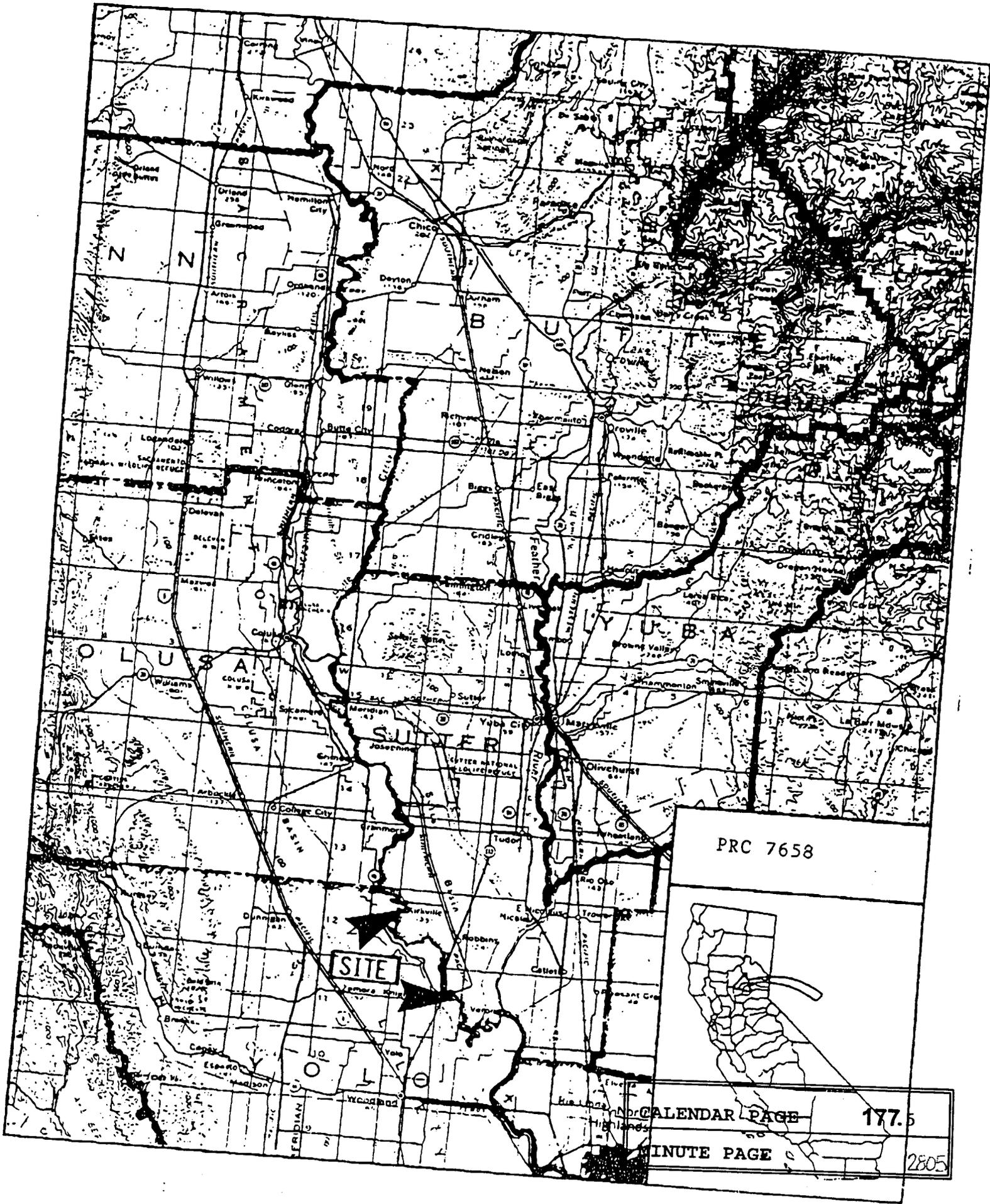
COMMENCING AT A POINT (ON THE TOP OF THE RIGHT BANK OF THE SACRAMENTO RIVER ABOUT 260 FEET SOUTHEAST OF BEAVER LAKE AND ABOUT ONE HALF MILE DOWN STREAM FROM COLLINS EDDY, WHICH BEARS N 67° 21' 30" E, 2732.06 FEET FROM STONE MONUMENT NO. 54, AND WHICH ALSO BEARS, S 24° 14' 45" W, 4264.59 FEET FROM THE UNITED STATES ENGINEER DEPARTMENT BENCH MARK NO. 325; AND WHICH ALSO BEARS, N 23° 07' W, 2751.31 FEET FROM THE SW CORNER OF THE SE1/4 OF SECTION 13, T12N, R1E, MDM, THENCE FROM SAID POINT OF COMMENCEMENT, S 40° 01' E, 10.0) FEET TO THE POINT OF BEGINNING ON THE LOW WATER SHORE LINE; THENCE FOLLOWING ALONG THE IRREGULAR LOW-WATER SHORE LINE ON THE RIGHT BANK OF THE SACRAMENTO RIVER, UP STREAM, BY THE FOLLOWING COURSES AND DISTANCES; N 61° 57' 30" E, 398.20 FEET; THENCE N 69° 58' E, 351.78 FEET; THENCE N 80° 11' 30" E, 193.69 FEET; THENCE S 89° 58' 15" E, 290.01 FEET; THENCE S 85° 30' E, 802.00 FEET; THENCE S 68° 10' E, 392.00 FEET; THENCE N 14° 10' E, 145.00 FEET; THENCE N 53° 45' W, 518.00 FEET; THENCE N 39° 00' W, 590.00 FEET; THENCE N 29° 45' 45" W, 287.12 FEET; THENCE N 23° 02' 30" W, 292.75 FEET; THENCE N 02° 38' 15" W, 469.00 FEET; THENCE N 02° 54' 45" E, 322.92 FEET; THENCE LEAVING SAID ABOVE MENTIONED LOW-WATER SHORE LINE, S 35° 15' 45" W, 525.60 FEET; THENCE ALONG A CURVE TO THE RIGHT, FROM A TANGENT WHICH BEARS, S 09° 55' W, HAVING A RADIUS OF 2500.00, THROUGH A CENTRAL ANGLE OF 40° 04', FOR AN ARC LENGTH OF 1748.24 FEET (LONG CHORD BEARING S 29° 57' W, 1712.83 FEET); THENCE S 20° 19' W, 454.59 FEET TO THE POINT OF BEGINNING, AND BEING THAT TRACT CONVEYED BY RIVER FARMS COMPANY OF CALIFORNIA, TO THE STATE OF CALIFORNIA, BY DEED DATED OCTOBER 19, 1917, AND RECORDED NOVEMBER 19, 1917, IN BOOK 93 OF DEEDS, AT PAGE 265.

END OF DESCRIPTION

SCANNED AND FORMATTED DECEMBER, 1991 BY LLB

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EXHIBIT B



PRC 7658

