

MINUTE ITEM

This Calendar Item No. C17 was approved as
Minute Item No. 17 by the California State Lands
Commission by a vote of 3 to 0 at its
1-29-99 meeting.

**CALENDAR ITEM
C17**

A 67

S 35

01/29/99
PRC 5636.1
D. Jones

ASSIGNMENT OF LEASE

LESSEE/ASSIGNOR:

Shell Western E&P Inc.
5060 California Avenue
P.O. Box 11164
Bakersfield, California 93389-1164

ASSIGNEE:

CalResources LLC
5060 California Avenue
P.O. Box 11164
Bakersfield, California 93389-1164

ASSIGNOR:

CalResources LLC
5060 California Avenue
P.O. Box 11164
Bakersfield, California 93389-1164

ASSIGNEE:

Aera Energy LLC
5060 California Avenue
P.O. Box 11164
Bakersfield, California 93389-1164

AREA, LAND TYPE, AND LOCATION:

10.70 acres, more or less, of sovereign land offshore from the cities of Seal
Beach and Huntington Beach, Orange County.

AUTHORIZED USE:

An existing 16-inch diameter crude oil pipeline serving the Outer Continental
Shelf (OCS) oil and gas development.

LEASE TERM:

30 years, beginning May 1, 1979.

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CONSIDERATION:

\$7,407 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

OTHER PERTINENT INFORMATION:

1. Assignee has a right to use the uplands adjoining the lease premises.
2. On January 1, 1995, Shell Western E&P Inc. assigned and transferred all of its assets to CalResources LLC. On June 1, 1997, CalResources LLC changed its corporate name to Aera Energy LLC. Aera Energy LLC is a combined company consisting of CalResources LLC (a Shell Oil Company affiliate) and Mobil Exploration & Producing U.S., Inc., which is Mobil Corporation's domestic exploration and production business unit.

There were no assignments of record for these transactions. Therefore, the proposed action will ratify and approve the assignments from Shell Western E&P Inc. to CalResources LLC effective January 1, 1995; and from CalResources LLC to Aera Energy LLC effective June 1, 1997.

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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 the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

- A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

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CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

AUTHORIZE THE RATIFICATION AND APPROVAL OF ASSIGNMENT OF LEASE NO. PRC 5636.1, A GENERAL LEASE - RIGHT OF WAY USE, OF SOVEREIGN LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM SHELL WESTERN E&P INC. TO CALRESOURCES LLC EFFECTIVE JANUARY 1, 1995; AND FROM CALRESOURCES LLC TO AERA ENERGY LLC, EFFECTIVE JUNE 1, 1997.

