

MINUTE ITEM
This Calendar Item No. C11
was approved as Minute Item
No. 11 by the State Lands
Commission by a vote of 3
to 0 at its 4-13-99
meeting.

**CALENDAR ITEM
C11**

A 34

04/13/99

PRC 1971.1, PRC 2000.2, PRC 2001.2,
PRC 2002.2, PRC 2003.2, PRC 2004.2
and PRC 2005.2

S 17

B. Dugal

ASSIGNMENT OF LEASES

LESSEE/ASSIGNOR:

ARCO Pipeline Company
P. O. Box 787
Long Beach, California 90801-0787

ASSIGNEE:

Questar Southern Trails Pipeline
P. O. Box 45360
Salt Lake City, Utah 84145-0360

AREA, LAND TYPE, AND LOCATION:

48.11 total acres, more or less, for the seven right of way leases. Lease No. PRC 1971.1 involves sovereign lands in the Colorado River, near the city of Needles, San Bernardino County and the six remaining leases involve six parcels of school land, San Bernardino County.

AUTHORIZED USE:

Continued use and maintenance of a 16" diameter petroleum pipeline.

LEASE TERMS:

PRC 1971.1 - 49 years, beginning July 22, 1957
PRC 2000.2 - 49 years, beginning September 19, 1957
PRC 2001.1 - 49 years, beginning September 19, 1957
PRC 2002.2 - 49 years, beginning September 19, 1957
PRC 2003.2 - 49 years, beginning September 19, 1957
PRC 2004.2 - 49 years, beginning September 19, 1957
PRC 2005.2 - 49 years, beginning September 19, 1957

CALENDAR ITEM NO. C11 (CONT'D)

CONSIDERATION:

- PRC 1971.1 - \$100 for entire lease term
- PRC 2000.2 - \$438 for entire lease term
- PRC 2001.2 - \$1,059 for entire lease term
- PRC 2002.2 - \$50 for entire lease term
- PRC 2003.2 - \$924 for entire lease term
- PRC 2004.2 - \$983 for entire lease term
- PRC 2005.2 - \$928 for entire lease term

OTHER PERTINENT INFORMATION:

1. Questar Southern Trails Pipeline (Questar) proposes to acquire certain pipelines and appurtenant facilities from ARCO Pipeline Company (ARCO). As part of this acquisition process, Questar is requesting the assignment of ARCO's interest in the seven right of way leases.
2. The right of way leases authorized ARCO to construct and maintain a 16" petroleum pipeline. The pipeline has been used by ARCO to convey crude oil from 1957 through 1998. In addition to the request by Questar to assign the interest in the leases, Questar has applied to the California State Lands Commission (CSLC) to consider the conversion of the existing crude petroleum pipeline system to a natural gas pipeline. The CSLC is the State lead agency under CEQA and the Federal Energy Regulatory Commission (FERC) is the Federal lead agency under NEPA. Until the EIS/EIR is complete for the proposed conversion project, Questar will maintain the pipeline in its current status until the environmental review process is complete and the project is approved by the CSLC.
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.

CALENDAR PAGE	000050
MINUTE PAGE	005103

CALENDAR ITEM NO. C11 (CONT'D)

EXHIBITS:

- A. Location Map
- B. Lease Descriptions (7)

PERMIT STREAMLINING ACT DEADLINE:

N/A.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

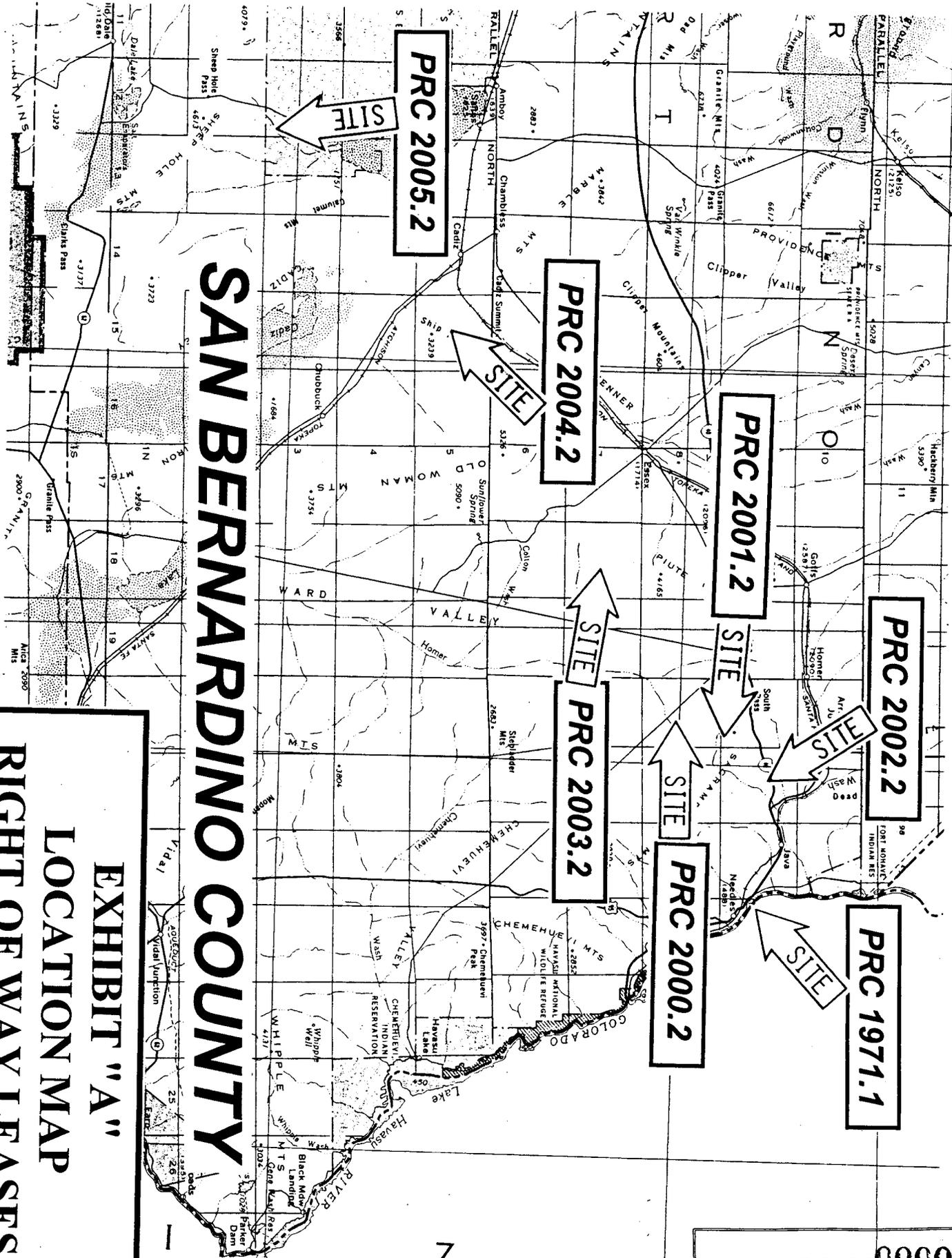
FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

AUTHORIZE THE ASSIGNMENT OF SEVEN RIGHT OF WAY LEASES, LEASE NOS. PRC 1971.1, PRC 2000.2, PRC 2001.2, PRC 2002.2, PRC 2003.2, PRC 2004.2 AND PRC 2005.2, OF SOVEREIGN AND SCHOOL LANDS DESCRIBED ON EXHIBIT B ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; FROM ARCO PIPELINE COMPANY TO QUESTAR SOUTHERN TRAILS PIPELINE, EFFECTIVE NOVEMBER 17, 1998.

SAN BERNARDINO COUNTY

EXHIBIT "A"
LOCATION MAP
RIGHT OF WAY LEASES



CALENDAR PAGE 000052

MINUTE PAGE 005105

EXHIBIT "B"
LAND DESCRIPTION

PRC 1971.1

A strip of submerged land 100 feet wide, under and across the California portion of the Bureau of Reclamation Channel of the Colorado River approximately 4 3/4 miles upstream from the City of Needles, San Bernardino County, California and lying 50 feet on each side of the following described centerline:

BEGINNING at a point on the right bank low water line of the Colorado River at U. S. Bureau of Reclamation Engineers Station 914 + 00; thence across the California portion of the said Bureau of Reclamation Channel of the Colorado River.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate in the said right bank of the Colorado River channel and the boundary of the State of California.

END DESCRIPTION

CALENDAR PAGE	000053
MINUTE PAGE	005106

EXHIBIT "B"
LAND DESCRIPTION

PRC 2000.2

A strip of land 60 feet wide, across State owned school land in the East ½ of Section 16, Township 9 North, Range 21 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the east line of Section 16, distant southerly 2,323.74 feet from the northeast corner of said Section 16; thence S60°51'55"W. 102.43 feet to an angle point; thence S63°53'55"W, 2,820.28 feet, more or less, to a point on the east line of the southwest quarter of said section, distant northerly 1,880 feet, more or less, from the southerly line of said Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to commence on the easterly line of said section and terminate on the north and south mid section line of said section.

END DESCRIPTION

CALENDAR PAGE 000054

MINUTE PAGE 005107

EXHIBIT "B"
LAND DESCRIPTION

PRC 2001.2

A strip of land 60 feet wide, across State owned school land in Section 36, Township 9 North, Range 20 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at northeast corner of Section 36, thence $S38^{\circ}17'05''W$, 1,130 feet; thence $S47^{\circ}19'10''W$, 3,236 feet; thence $S41^{\circ}00'15''W$, 1,516 feet; thence $S30^{\circ}49'40''W$, 1,180 feet to a point on the south line of said section, which is 575 feet easterly of the southwest corner of said Section 36.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate on the boundary lines of the said Section 36.

END DESCRIPTION

CALENDAR PAGE	00055
MINUTE PAGE	005108

EXHIBIT "B"
LAND DESCRIPTION

PRC 2002.2

A strip of land 60 feet wide, across State owned school land in Section 16, Township 8 North, Range 20 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the north line of Section 16, which is distant easterly 78 feet from the northwest corner of said Section 16; thence S58°27'W, 91.25 feet to a point on the west line of Section 16, which is 48.75 feet southerly of the northwest corner of said Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate on the boundary lines of the said Section 16.

END DESCRIPTION

CALENDAR PAGE	000056
MINUTE PAGE	005109

EXHIBIT "B"
LAND DESCRIPTION

PRC 2003.2

A strip of land 60 feet wide, across State owned school land in Section 16, Township 7 North, Range 18 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the east line of Section 16, distant southerly 1,575 feet from the northeast corner of said Section 16; thence S58°23'50"W, 6,158 feet more or less, to a point on the west line of Section 16, which is 446 feet northerly of the southwest corner of said Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate on the boundary lines of the said Section 16.

END DESCRIPTION

CALENDAR PAGE	000057
MINUTE PAGE	005110

EXHIBIT "B"
LAND DESCRIPTION

PRC 2004.2

A strip of land 60 feet wide, across State owned school land in Section 16, Township 5 North, Range 15 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the easterly line of Section 16, distant southerly 300 feet more or less, from the northeast corner of said section; thence S43°23'43"W, 1,551 feet; thence S58°45'43"W, 1,600 feet; thence S53°28'23"W, 3,400 feet to a point on the west line of Section 16, which is 1,200 feet, more or less, northerly of the southwest corner of said Section 16.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate on the boundary lines of the said Section 16.

END DESCRIPTION

CALENDAR PAGE	000058
MINUTE PAGE	005111

EXHIBIT "B"
LAND DESCRIPTION

PRC 2005.2

A strip of land 60 feet wide, across State owned school land in Section 36, Township 3 North, Range 12 East, S.B.B.M., San Bernardino County, California and lying 30 feet on each side of the following described centerline:

BEGINNING at a point on the north line of Section 36, distant westerly 1,960 feet from the northeast corner of said Section 36; thence S31°52'03"W, 6,187.7 feet, more or less, to a point on the south line of said section, 80 feet easterly of the southwest corner of said Section 36.

The side lines of the above described right of way shall be prolonged or shortened so as to terminate on the boundary lines of the said Section 36.

END DESCRIPTION

CALENDAR PAGE	C00059
MINUTE PAGE	005112