MINUTE ITEM
This Calendar Item No. C68 was approved as Minute Item No. 68 by the California State Lands Commission by a vote of 3 to 0 at its 12-3-99 meeting.

CALENDAR ITEM
C68

A 35

S 18

12/3/99
PRC 2206.1
A. Nitsche
M. Voskanian

CONSIDER ACCEPTANCE OF THE FULL QUITCLAIM DEED OF OIL AND GAS LEASE NO. PRC 2206.1 (3,840 ACRES OF TIDE AND SUBMERGED LANDS), OFFSHORE SANTA BARBARA COUNTY

LESSEE:

Texaco Exploration and Produciton, Inc.
Attn.: Mr. John C. Gilbert
P. O. Box 5197
Bakersfield, CA 93308

AREA, LAND TYPE, AND LOCATION:

Oil and Gas Lease No. PRC 2206.1 contains 3,840 acres of tide and submerged lands offshore Santa Barbara County, California.

BACKGROUND:

Oil and Gas Lease No. PRC 2206.1 (Lease) was issued to The Texas Company, Monterey Oil Company and Newmont Oil Company on July 25, 1958. Through a series of name changes and assignments, Texaco Exploration and Production, Inc., is the 100 percent holder and operator of Oil and Gas Lease No. PRC 2206.1. Under the terms of the Lease, the lessee is required to pay an annual rental of $1.00 per acre ($3,840 for 3,840 acres). Wells have been drilled on or into the leased lands from Platform Helen. All wells from Platform Helen were abandoned and the platform removed in 1988.

Public Resources Code section 6804.1 and Lease paragraph 5 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 and accepted by the State subject to the continued obligation of the lessee and its surety to pay all

accrued rentals and royalties and to cure all defaults under the lease. On August 25, 1999, the Commission's Long Beach office staff received the document "(Full) Quitclaim Deed for State Oil and Gas Lease." This document was dated August 16, 1999, and quitclaims back to the State all of the lessee's right, title and interest in the leased lands described in Exhibit A of Oil and Gas Lease No. PRC 2206.1 dated July 25, 1958.

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 and royalty.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code section 6804.1 and Lease Paragraph 5.

OTHER PERTINENT INFORMATION:

1. 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.

EXHIBIT:

A. Location Map and Land Description

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THE ACTIVITY 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:

1. ACCEPT FROM TEXACO EXPLORATION AND PRODUCTION, INC., (LESSEE) THE (FULL) QUITCLAIM DEED FOR OIL AND GAS LEASE DATED AUGUST 16, 1999, AND EFFECTIVE AUGUST 25, 1999, WHEREIN THE LESSEE QUITCLAIMS BACK TO THE STATE ALL RIGHT, TITLE AND INTEREST IN THE LEASED LANDS DESCRIBED IN EXHIBIT A OF OIL AND GAS LEASE NO. PRC 2206.1 DATED JULY 25, 1958.

2. AUTHORIZE THE EXECUTION OF ANY DOCUMENT NECESSARY TO AFFECT THE COMMISSION'S ACTION.

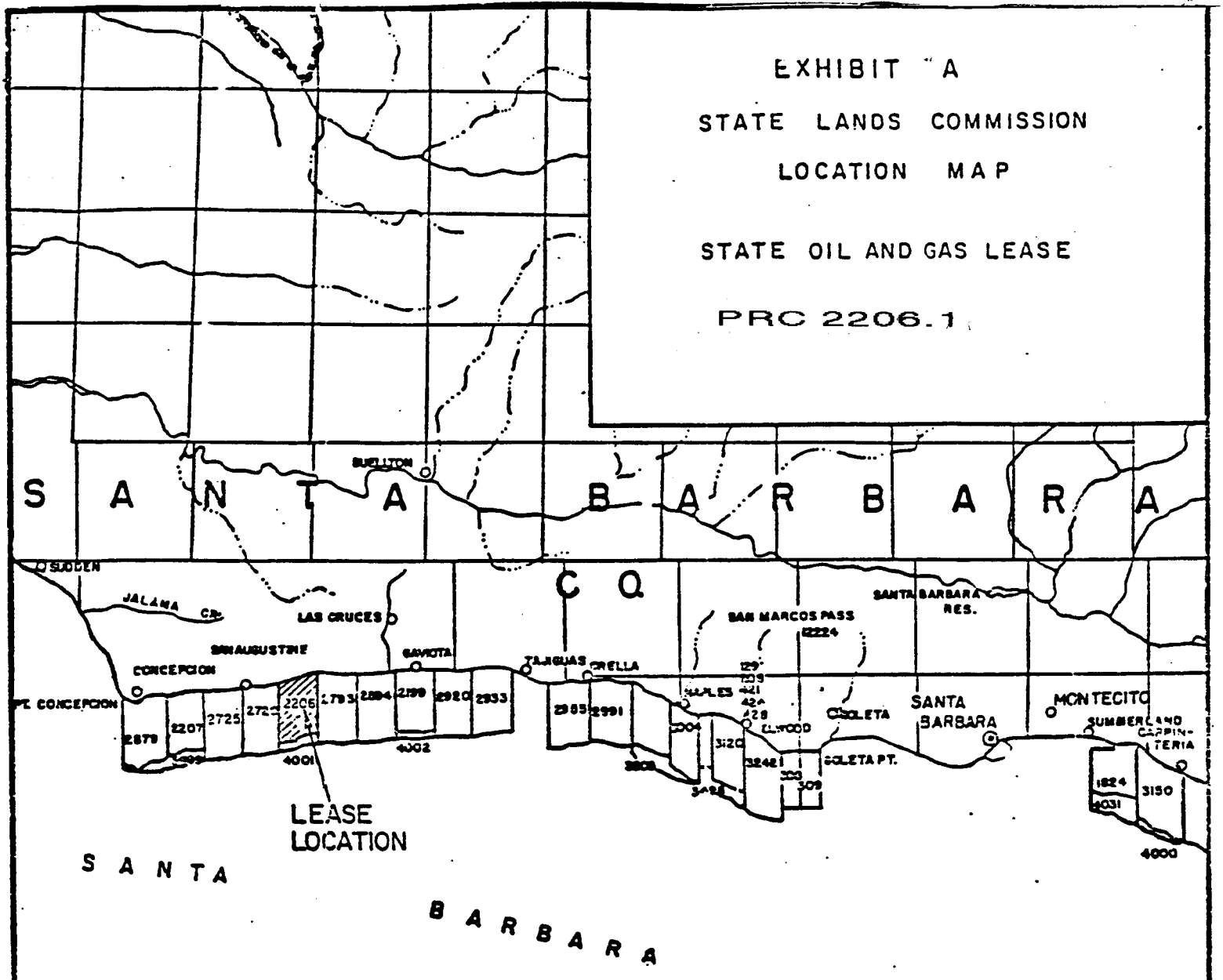
EXHIBIT "A

STATE LANDS COMMISSION

LOCATION MAP

STATE OIL AND GAS LEASE

PRC 2206.1



SANTA BARBARA CHANNEL

LAND DESCRIPTION

That area of tide and submerged lands bounded on the West by California Coordinate System, Zone 5, grid line having an X value of 1,299,860; on the East by a grid line having an X value of 1,310,420; on the landward (northerly) boundary by the ordinary high water mark of the Pacific Ocean; and on the seaward (southerly) boundary by a line parallel to the ordinary high water mark and seaward therefrom 3 statute miles; containing 3,840 acres.

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