

MINUTE ITEM
This Calendar Item No. 92 was approved as
Minute Item No. 92 by the California State Lands
Commission by a vote of 3 to 0 at its
6-27-00 meeting.

**CALENDAR ITEM
C92**

A 35

S 18

06/27/00
PRC 3314.1
A. Nitsche

**CONSIDER APPROVAL DEFERMENT OF DRILLING OBLIGATION,
OIL AND GAS LEASE NO. PRC 3314.1,
MONTALVO OIL FIELD,
OFFSHORE VENTURA COUNTY**

LESSEE/OPERATOR:

Berry Petroleum Company
Attn.: Mr. Ralph E. McPhetridge
Post Office Bin X
Taft, CA 93268-0042

AREA, TYPE LAND AND LOCATION:

Oil and Gas Lease No. PRC 3314.1 (Lease) contains 5,340 acres of tide and submerged lands offshore Ventura County.

BACKGROUND:

Oil and Gas Lease No. PRC 3314.1 was issued on July 1, 1965, to Shell Oil Company (Shell), pursuant to competitive public bid. Chevron Oil Company (Chevron) drilled one well ("farm-in") and completed it in the late 1980's. The well, drilled from an onshore location, continues to produce today. The lease was assigned from Shell to Berry Petroleum Company (Berry) in September 1992. Berry had also taken assignment of adjacent Lease No. PRC 735.1 from Chevron and all of Chevron's economic interest in Lease No. PRC 3314.1.

The Commission granted Berry a two-year drilling deferment on June 19, 1998, which expires on July 31, 2000. Berry, by letter of May 24, 2000, has requested an additional one-year deferment of the drilling obligation. Berry has stated that it needs additional time to consider the sale and assignment of this lease, or finish its analysis of the complex geologic data in order to submit a development program for consideration by the Commission.

CALENDAR PAGE	0497
MINUTE PAGE	08871

CALENDAR ITEM NO. C92 (CONT'D)

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code section: Division 6, Parts 1 and 2; Division 13.
- B. California Code of Regulations section: Title 3, Division 3; Title 14, Division 6.

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.

EXHIBITS:

- A. Land Description
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

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:

APPROVE A DEFERMENT OF THE DRILLING OBLIGATION UNDER OIL AND GAS LEASE NO. PRC 3314.1 THROUGH JULY 31, 2001.

EXHIBIT A

LAND DESCRIPTION

STATE OIL AND GAS LEASE

PRC 3314.1

1 A PARCEL OF TIDE AND SUBMERGED LAND IN THE SANTA BARBARA CHANNEL
2 WESTERLY OF THE CITY OF OXNARD, VENTURA COUNTY, CALIFORNIA; BEING
3 FURTHER DESCRIBED AS FOLLOWS:
4 BEGINNING AT A POINT ON THE MEAN HIGH TIDE LINE OF THE SANTA
5 BARBARA CHANNEL WHICH IS DISTANT SOUTHEASTERLY AT RIGHT ANGLES
6 78.92 FEET FROM A LINE HAVING A BEARING OF S. 72° 43' 00" W.,
7 SAID LINE INTERSECTS THE CENTER POINT OF CALIFORNIA STATE LANDS
8 COMMISSION TRIANGULATION STATION "TEAL 2 1954". THE TRIANGULA-
9 TION STATION IS SHOWN ON A MAP FILED AS NUMBER 6138 IN BOOK 18
10 AT PAGE 22, RECORD OF SURVEYS, VENTURA COUNTY, CALIFORNIA, AND
11 HAS CALIFORNIA ZONE 5 COORDINATES OF X = 1,622,896.07
12 Y = 256,577.48; THENCE FROM THE POINT OF BEGINNING LEAVING THE
13 MEAN HIGH TIDE LINE S. 72° 43' 00" W. TO THE INTERSECTION WITH
14 AN ENVELOPE LINE EVERY POINT OF WHICH IS AT A DISTANCE OF 3
15 GEOGRAPHICAL MILES FROM THE NEAREST POINT ON THE MEAN HIGH TIDE
LINE OF THE SANTA BARBARA CHANNEL; THENCE NORTHWESTERLY ALONG
SAID ENVELOPE LINE TO ITS INTERSECTION WITH A LINE PARALLEL TO
AND 13,500 FEET DISTANT NORTHWESTERLY AT RIGHT ANGLES FROM THE
SOUTHEASTERLY BOUNDARY OF THIS PARCEL; THENCE N. 72° 43' 00" E.
ALONG SAID PARALLEL LINE TO THE INTERSECTION WITH THE ABOVE
MENTIONED MEAN HIGH TIDE LINE; THENCE SOUTHEASTERLY ALONG THE
MEAN HIGH TIDE LINE TO THE POINT OF BEGINNING, AND EXCEPTING
FROM THE ABOVE-DESCRIBED PARCEL STATE OIL AND GAS LEASE
P.R.C. 735.1, RESULTING IN A NET ACREAGE INCLUDED IN PARCEL 25
OF APPROXIMATELY 5,430 ACRES.

THE BEARINGS AND DISTANCES USED IN THE ABOVE DESCRIPTION ARE
BASED ON THE CALIFORNIA COORDINATE SYSTEM ZONE 5.

EXHIBIT B

LOCATION MAP

PRC 3314

SANTA BARBARA CO.

SANTA BARBARA

MONTECITO

SUMNERLAND

CARPINTERIA

1824

3190

3182

7411 RINCON PT.

429

427

410

142

1486

PITAS PT.

SEA CLIFF

SANTA BARBARA CHANNEL

SANTA BARBARA CHANNEL

SANTA BARBARA CHANNEL

PRC 3314

PRC 3314

3314

735

OXNARD

HOLLYWOOD BY THE SEA
PORT HUENEME

LAGUNA PT.

VENTURA CO.

LOS ANGELES CO.

SOLROMAR

PT. DUME

SANTA CRUZ ISLAND

ANACAPA I.

NORTH



CALENDAR PAGE 0500
MINUTE PAGE 08874