

MINUTE ITEM
This Calendar Item No. C10
was approved as Minute Item
No. 10 by the State Lands
Commission by a vote of 3
to 0 at its 2-5-01
meeting

CALENDAR ITEM
C10

A 2
S 4

02/05/01
PRC 7913.1
L. Burks

REVISION OF RENT

LESSEE:

Slawson Exploration Company, Inc.
1625 Broadway, Suite 1450
Denver, Colorado 80202

AREA, LAND TYPE, AND LOCATION:

0.46 acres, more or less, of sovereign lands in the Sacramento River, near the town of Grimes, Colusa and Sutter counties.

AUTHORIZED USE:

Continued use and maintenance of an existing four-inch diameter welded steel natural gas pipeline extending Slawson's gas gathering system in Sutter County next to the Stafford #14-1 well (off Garmire Road) to Slawson's Browning #4 gas gathering system near Wilson Bend Road in Colusa County.

LEASE TERM:

20 years, beginning October 1, 1996.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$104 per year to \$120 per year, effective October 1, 2001.

The recommended rent is based on adjustment of the prior rent by application of the Consumer Price Index (CPI). The adjustment does not obligate the Commission to use the CPI to adjust future rents.

CALENDAR ITEM NO. C10 (CONT'D)

EXHIBITS:

- A. Land Description
- B. Location Map

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:

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 7913.1 FROM \$104 PER YEAR TO \$120 PER YEAR, EFFECTIVE OCTOBER 1, 2001.

LAUGENOUR AND MEIKLE
CIVIL ENGINEERS

2124-5
May 6, 1996
P.J.A.
Revised July 1, 1996

DESCRIPTION
for
SLAWSON EXPLORATION COMPANY, INC.
PROPOSED BORE LOCATION
SACRAMENTO RIVER MILE 120.9
SECTION 22, TOWNSHIP 14 NORTH, RANGE 1 EAST,
MOUNT DIABLO MERIDIAN
COLUSA AND SUTTER COUNTIES

A portion of Section 22, Township 14 North, Range 1 East, Mount Diablo Meridian, in Colusa and Sutter Counties, California, being more particularly described as follows:

A strip of land fifty (50) feet wide, lying twenty-five (25) feet on each side of the following described centerline.

Beginning at a point in the center of the West Levee of the Sacramento River that is distant North $55^{\circ}15'49''$ East 4826.13 feet from the Northeast corner of that 195.89 acre parcel as shown on that Record of Survey, filed October 11, 1968, in Book 4 of Record of Survey, at Page 15, Colusa County Records; thence, from said POINT OF BEGINNING, South $87^{\circ}35'14''$ East 580.97 feet to a point on the East Levee of the Sacramento River and the end of this strip of land.

EXCEPTING THEREFROM any portion lying above the ordinary low water marks of the Sacramento River.



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This exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or other property.

EXHIBIT "A"
PRC 7913.1

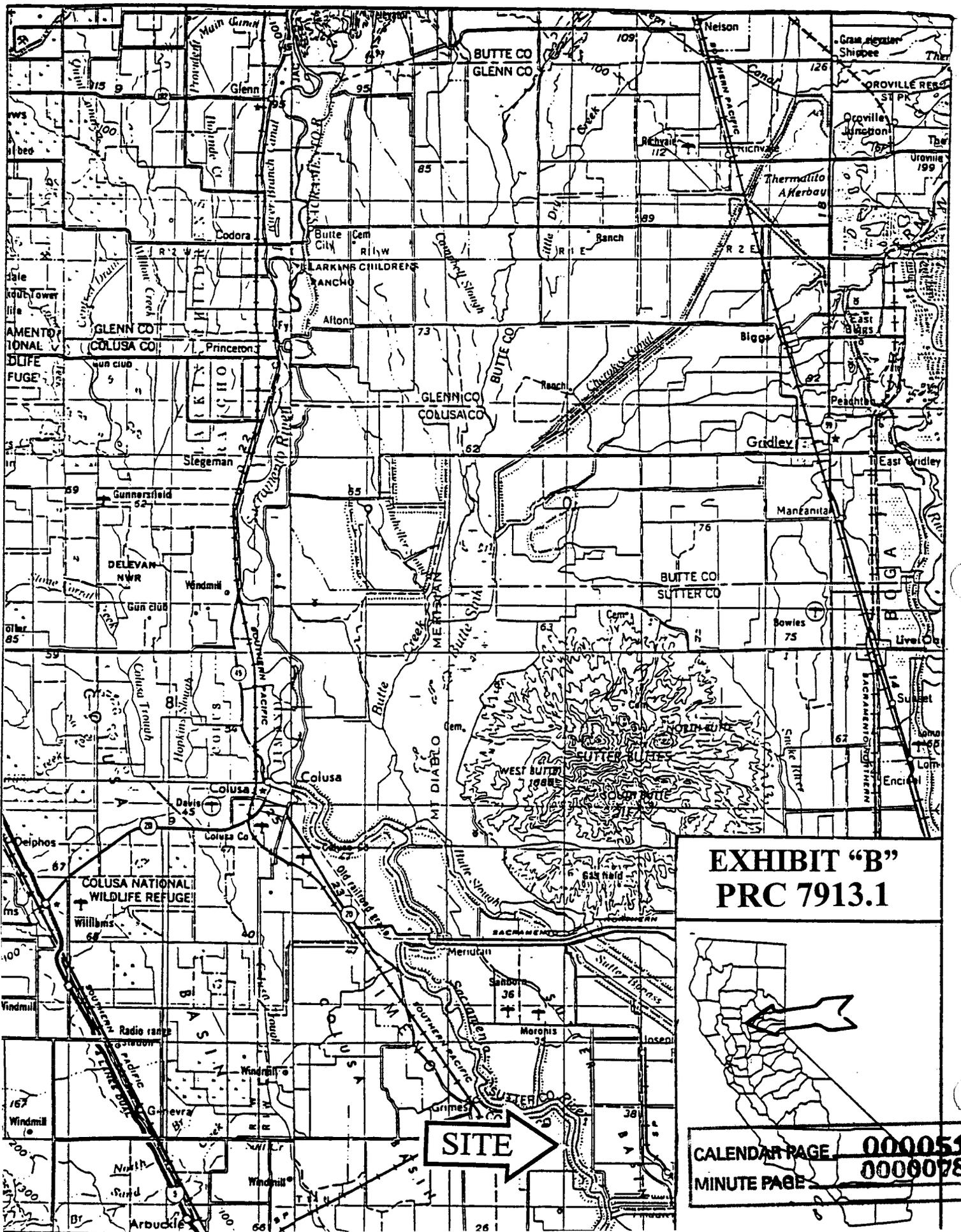
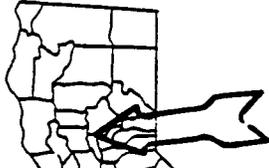


EXHIBIT "B"
PRC 7913.1



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