

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 06/26/06 meeting.

CALENDAR ITEM
C68

A 11
S 7

06/26/06
PRC 7859.1
N. Smith

CONTINUATION OF RENT

LESSEE:

ConocoPhillips
1232 Park Street, Suite 300
Paso Robles, California 93446

AREA, LAND TYPE, AND LOCATION:

A 352 square foot parcel of sovereign land in Pacheco Slough, near the city of Martinez, Contra Costa County.

AUTHORIZED USE:

Existing 8-inch diameter pipeline to transport refined petroleum products.

LEASE TERM:

25 years, beginning September 20, 1995.

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 continued at \$100 per year, effective September 20, 2006.

OTHER PERTINENT INFORMATION:

1. This lease was issued by the Commission on October 17, 1995 to Chevron U.S.A., Inc. for the reactivation of this existing eight-inch diameter pipeline for a period of 25 years. The Commission approved assignment of the lease to ConocoPhillips Company on February 2, 2004.
2. On February 23, 2001, Chevron reported that the State Fire Marshal last inspected the pipeline in April 1999; the pipeline is cathodically protected; no significant leaks had occurred in the past five years and the last internal inspection, by smart pig, was completed in 1997.

CALENDAR ITEM NO. C68 (CONT'D)

EXHIBIT:

A. Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) 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 CONTINUATION OF RENT FOR LEASE NO. PRC 7859.1 AT \$100 PER YEAR, EFFECTIVE SEPTEMBER 20, 2006.

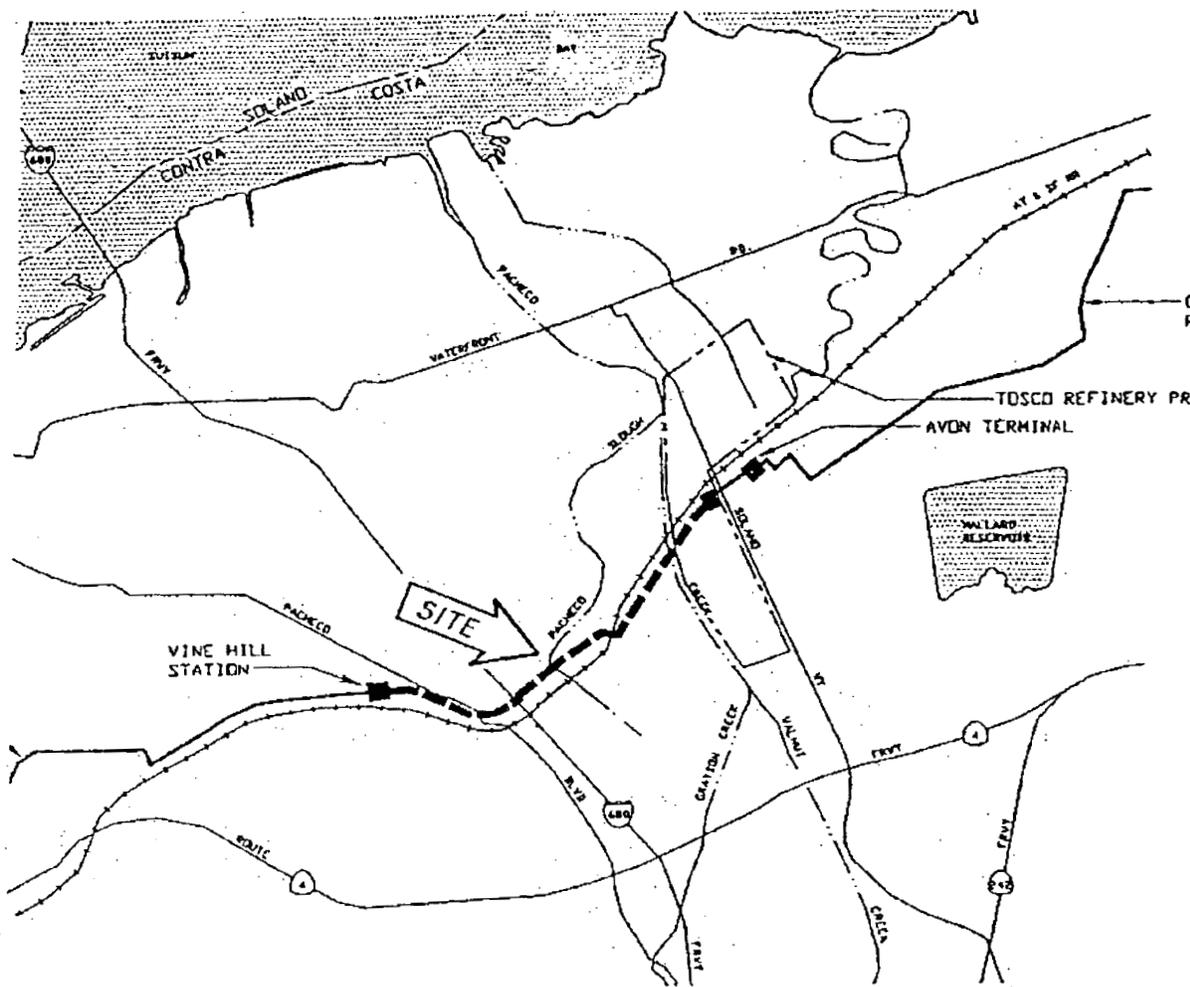


EXHIBIT A
PRC 7859.1
 ConocoPhillips
 Pacheco Slough
 Contra Costa County



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

JKH 09-95

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