

CALENDAR ITEM

C51

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05/10/07

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PRC 8338.1

J. McComas

AMENDMENT OF LEASE

LESSEE:

Slawson Exploration Company
1625 Broadway, Ste. 1450
Denver, Colorado 80202-4714

AREA, LAND TYPE, AND LOCATION:

0.064 acres, more or less, of sovereign lands in Nurse Slough, near the city of
Fairfield, Solano County.

AUTHORIZED USE:

Construction, use, and maintenance of a three-inch diameter natural gas
gathering pipeline within a six-inch pipeline casing, to be attached to an existing
bridge.

LEASE TERM:

20 years, beginning July 1, 2001.

CONSIDERATION:

\$100 per year; with the State reserving the right to fix a different rent periodically
during the lease term, as provided in the lease.

PROPOSED AMENDMENT:

Amend the construction completion date from October 31, 2002 to
October 31, 2008. All other terms and conditions of the lease shall remain in
effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee has the right to use the uplands adjoining the lease premises.
2. On September 17, 2001, the Commission authorized the issuance of a
General Lease-Right of Way Use for the construction, use, and
maintenance for a three-inch diameter natural gas gathering pipeline

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within a six-inch pipeline casing. The Lessee was unable to enter the property, due to high water, during the approved construction period. The Lessee, therefore, is requesting an extension of the construction date.

3. A Mitigated Negative Declaration and a Mitigation Monitoring Program were prepared and adopted for this project by Solano County. The California State Lands Commission's staff has reviewed such documents.
4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT A MITIGATED NEGATIVE DECLARATION AND A MITIGATING MONITORING PROGRAM WERE PREPARED AND ADOPTED FOR THIS PROJECT BY SOLANO COUNTY AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

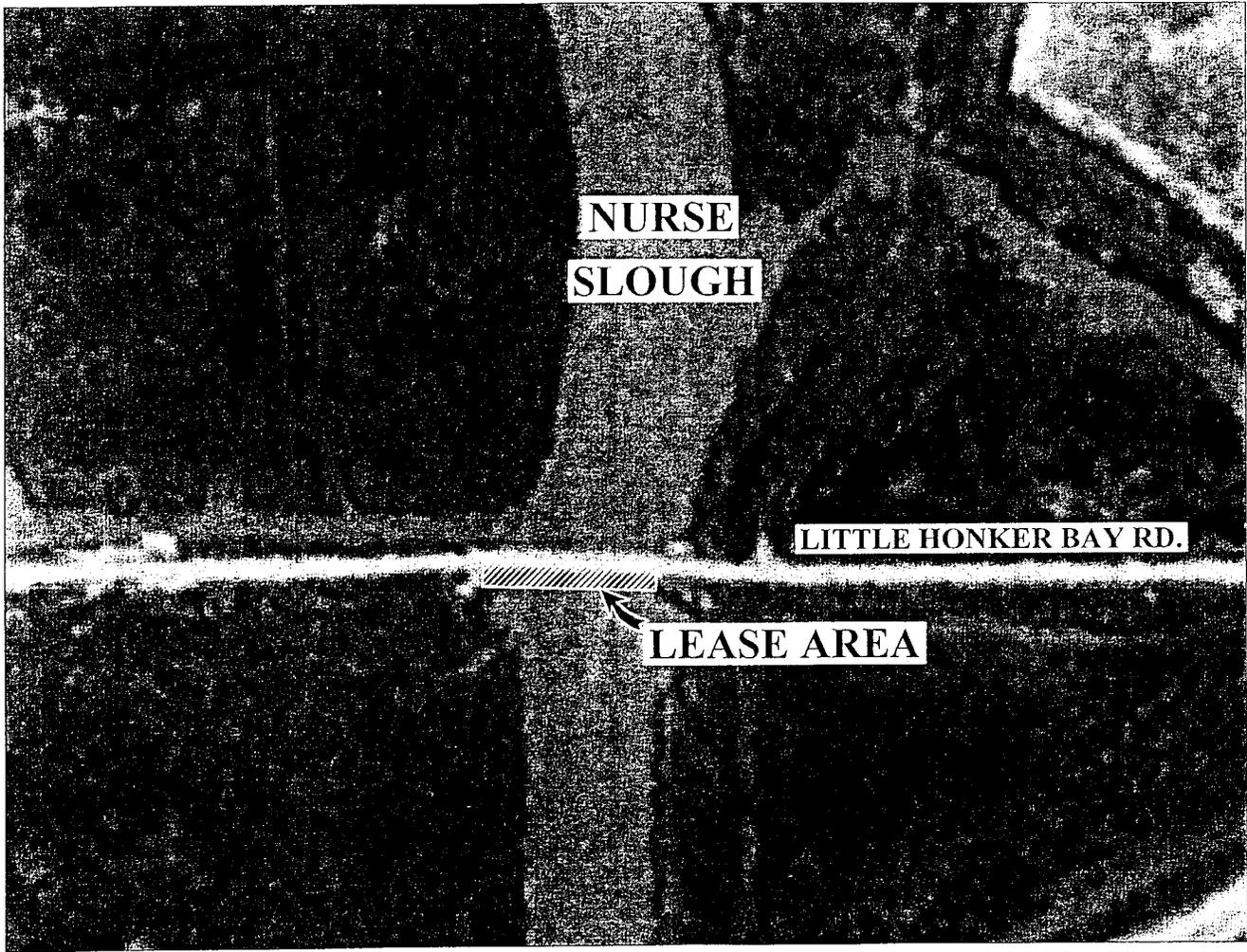
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AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 8338.1, A GENERAL LEASE - RIGHT OF WAY USE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE APRIL 1, 2007, TO EXTEND THE CONSTRUCTION COMPLETION DATE FROM OCTOBER 31, 2002 TO OCTOBER 31, 2008; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

NO SCALE

SITE

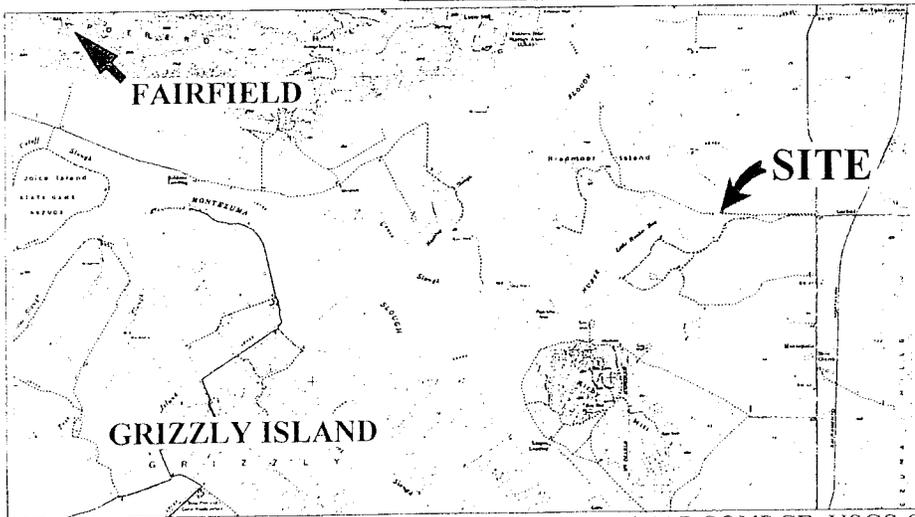


MAP SOURCE: AERIAL DOQ

NURSE SLOUGH, SOLANO COUNTY

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC8338
 SLAWSON EXPLORATION CO.
 GENERAL LEASE-
 RIGHT OF WAY
 NURSE SLOUGH
 SOLANO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.

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