

**CALENDAR ITEM  
C27**

A 27, 28, 33

02/08/10

WP 5538

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D. Simpkin

**GENERAL LEASE – RIGHT OF WAY USE**

**APPLICANT:**

ExxonMobil Oil Corporation  
12851 East 166<sup>th</sup> Street  
Cerritos, CA 90703

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in the Salinas River, five miles northwest of the town of Bradley, Monterey County.

**AUTHORIZED USE:**

The continued maintenance of an existing non-operational 6-inch diameter steel natural gas pipeline as shown on attached Exhibit A.

**LEASE TERM:**

Five years, beginning September 28, 2008.

**CONSIDERATION:**

Annual rent in the amount of \$100, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS:**

Insurance:

Liability insurance in the amount of no less than \$1,000,000.

Bond:

Surety bond in the amount of \$20,000.

**OTHER PERTINENT INFORMATION:**

1. Applicant has the right to use the uplands adjoining the lease premises.
2. On July 19, 1993, the Commission authorized the issuance of a General Lease – Right of Way Use, PRC 5538.1, to Mobil Oil Corporation, now known as ExxonMobil Oil Corporation (Mobil) for a 15-year term, effective

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September 28, 1993. The lease expired September 27, 2008. Mobil is now applying for a new General Lease – Right of Way Use for the existing non-operational 6-inch diameter steel natural gas pipeline.

3. The pipeline was formerly used to transport natural gas purchased from Southern California Gas Company at its plant in San Luis Obispo County to Mobil's San Ardo and San Antonio pump station and production facilities. In 1998, the use of the pipeline was discontinued. The pipeline was subsequently taken out of service and is currently non-operational.
4. The new lease will allow Mobil's continued maintenance of the facilities until it is determined if and when the facilities may be returned to service. The lease will require Mobil to submit to the Commission, no later than two years prior to the expiration of the lease, either: (a) an application for a new lease for the continued use of the Lease Premises, or (b) a plan for restoration of the Lease Premises to be completed prior to the expiration of the lease term. In the event the pipeline is abandoned in place, Mobil will provide a detailed abandonment plan and procedures for the existing pipeline, including a long-term monitoring plan.
5. Prior to being taken out of service, this pipeline was cleaned of all hazardous liquids. A poly pig pushed by nitrogen was utilized to achieve displacement of all liquid to ensure the pipeline was taken out of service pursuant to State and/or federal requirements. A block valve was placed at the end of the pipeline system. The pipeline is buried five feet below the mean river bottom.
6. The lease has been in hold over status since September 27, 2008, pursuant to Section 4 Paragraph 14 of the lease. Mobil has continued to pay annual rent pursuant to the terms of the previous lease.
7. Pursuant to the Commission's delegation of authority and State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), staff has determined this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

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8. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

- A. Location and Site Map
- B. Land Description

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15061 as a categorically exempt project, Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

**SIGNIFICANT LANDS INVENTORY FINDING:**

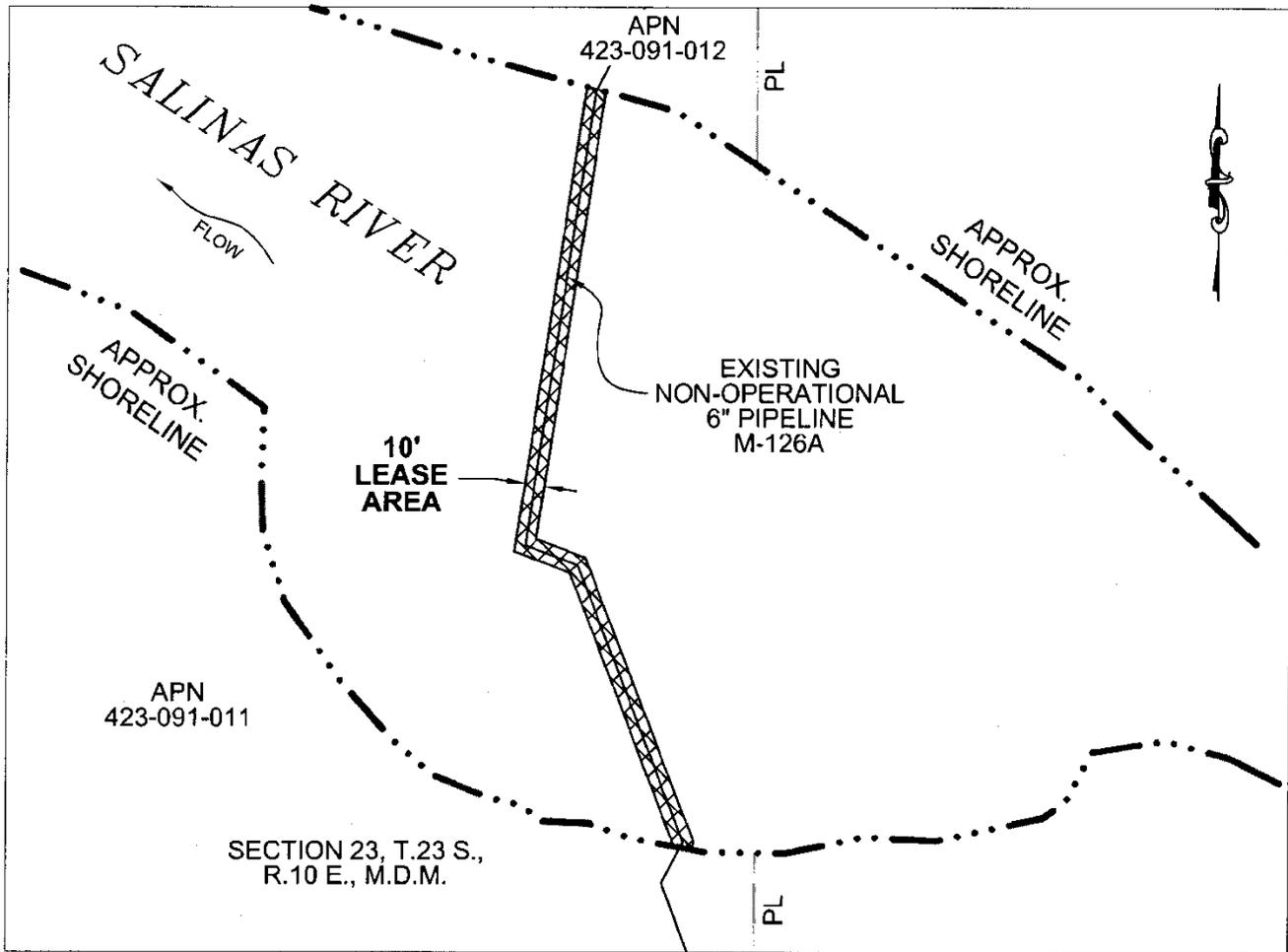
Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code sections 6370, et seq.

**AUTHORIZATION:**

Authorize issuance of a five-year General Lease – Right of Way Use to ExxonMobil Oil Corporation beginning September 28, 2008, for the continued maintenance of an existing non-operational 6-inch diameter steel natural gas pipeline as shown on Exhibit A (for reference purposes only) and as described on Exhibit B attached and by this reference made a part hereof; annual rent in the amount of \$100, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; liability insurance in the amount of no less than \$1,000,000; and surety bond in the amount of \$20,000.

NO SCALE

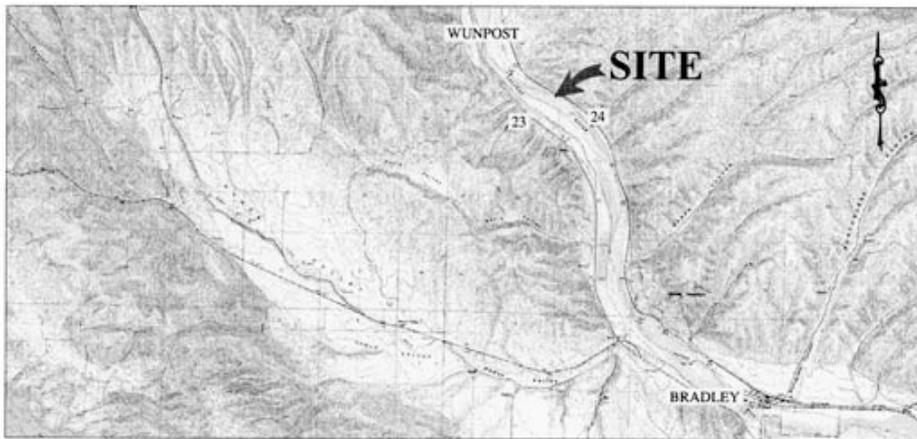
### SITE



SALINAS RIVER, 5 MILES NORTHWEST OF BRADLEY

NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

### Exhibit A

PRC 5538.1  
 MOBIL OIL CORPORATION  
 GENERAL LEASE -  
 RIGHT OF WAY USE  
 MONTEREY COUNTY



JWP 05/10

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.

**EXHIBIT B**

**PRC 5538.1**

**LAND DESCRIPTION**

A parcel of submerged land situate in the bed of the Salinas River, lying adjacent to Section 23, Township 23 South, Range 10 East, Mount Diablo Meridian as shown on the Official U.S. Government Plat approved December 3, 1880, located in County of Monterey, State of California, and being more particularly described as follows:

A 10 foot wide strip of land lying 5 feet on each side of the following described centerline:

COMMENCING at the northeast corner of said Section 23, as shown on that certain map filed in Volume 4 of Surveys at Page 102, Records of Monterey County; thence North 89°31'47" West 55.57 feet along the northerly line of said Section 23; thence leaving said northerly line of said Section 23, South 13°10'26" West 115.08 feet; thence South 12°05'00" West 155.44 feet; thence South 13°34'52" West 153.00 feet; thence South 23°53'08" West 106.96 feet to the POINT OF BEGINNING; said point being on the centerline of an existing non-operational six-inch diameter steel natural gas pipeline; thence from said point of beginning along said natural gas pipeline the following ten (10) courses:

- (1) South 25°57'56" West 24.80 feet,
- (2) South 32°23'15" West 147.57 feet,
- (3) South 26°58'21" West 95.12 feet,
- (4) South 08°39'22" West 927.67 feet,
- (5) South 68°43'44" East 113.87 feet,
- (6) South 21°05'04" East 599.57 feet,
- (7) South 27°31'12" West 93.68 feet,
- (8) South 20°07'20" East 165.73 feet,
- (9) South 21°11'31" East 166.02 feet, and
- (10) South 20°35'07" East 171.97 feet to the TERMINUS of the centerline of said strip.

EXCEPTING THEREFROM any portions lying landward of the low water marks of the Salinas River.

The sidelines of said strip to be lengthened or shortened as to terminate at the low water marks on the right and left banks of the Salinas River.

**END OF DESCRIPTION**

Prepared 05/11/2010 by the California State Lands Commission Boundary Unit.

