

ON THE NORTHEAST BY THE ORDINARY HIGH WATER MARK OF THE PACIFIC OCEAN; ON THE SOUTHWEST BY A LINE THREE MILES SEAWARD AND PARALLEL TO THE ORDINARY HIGH WATER MARK; ON THE SOUTHEAST BY A LINE PARALLEL TO THE NORTHWESTERLY LINE OF STATE OIL AND GAS LEASES P.R.C. 163.1, P.R.C. 126.1 AND DISTANT NORTHWESTERLY THEREFROM ONE-HALF MILE; AND ON THE NORTHWEST BY A LINE PARALLEL TO THE SOUTHEASTERLY LINE OF STATE OIL AND GAS LEASE P.R.C. 186.1 AND DISTANT SOUTHEASTERLY THEREFROM ONE-HALF MILE.

4. (OIL AND GAS LEASE APPLICATION, SECTION 6871.3, PUBLIC RESOURCES CODE, VENTURA COUNTY - W. O. 2243.) The following is a part of the report that was presented to the Commission:

"An application has been received from The Superior Oil Company requesting that the Commission consider offering for oil and gas leases under the Public Resources Code approximately 16,700 acres of tide and submerged lands offshore in Ventura County, to be leased pursuant to competitive public bidding.

"The area proposed for consideration extends from the common Ventura-Los Angeles county line for approximately nine miles along the Ventura County coast line in a belt approximately three miles wide.

"The letter request also states that in the opinion of The Superior Oil Company the described lands are not within the known geologic structure of a producing oil or gas field, and therefore it is the belief of The Superior Oil Company that such lands will be offered for bid at a flat oil royalty rate of 12½ per cent and with a primary drilling term of five years as provided by the Public Resources Code."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO PROCEED WITH THE PUBLICATION OF THE NOTICE REQUIRED BY SECTION 6873.2 OF THE PUBLIC RESOURCES CODE THAT IT INTENDS TO CONSIDER OFFERING LEASES FOR THE EXTRACTION OF OIL AND GAS FROM APPROXIMATELY 16,700 ACRES OF TIDE AND SUBMERGED LANDS LYING BETWEEN THE COMMON VENTURA-LOS ANGELES COUNTY LINE AND A LINE APPROXIMATELY NINE MILES WESTERLY THEREOF AND BETWEEN THE ORDINARY HIGH WATER MARK AND A LINE THREE MILES SEAWARD AND PARALLEL TO THE ORDINARY HIGH WATER MARK.

5. (OIL AND GAS LEASE APPLICATION, ST. ANTHONY OIL CORPORATION, SANTA BARBARA COUNTY - W. O. 2046, AND OIL AND GAS LEASE APPLICATION, SECTION 6871.3 PUBLIC RESOURCES CODE, SANTA BARBARA COUNTY - W. O. 2253.) The following is a part of the reports which were presented to the Commission:

"On November 30, 1955 (Minute Item 12, pages 2513-14) the Commission authorized the Executive Officer to proceed with a public hearing pursuant to the Public Resources Code and a request of the Board of Supervisors of the County of Santa Barbara relative to the consideration of a request by the St. Anthony Oil Corporation for the offering

of an oil and gas lease on tide and submerged lands adjoining Summerland, Santa Barbara County. The public hearing was held at Santa Barbara January 11, 1955 and was attended by Chairman Robert C. Kirkwood. Items for consideration in connection with the proposed lease offer were presented on behalf of Santa Barbara County by Mr. Vern Thomas, District Attorney; Mr. R. Whitehead, Planning Director; and Supervisor C. W. Bradbury. Support of the County presentation and suggestions for operating conditions in the proposed lease were also presented for the Carpinteria Chamber of Commerce; the Santa Barbara County Farm Bureau; the Summerland Citizens' Association; and the Montecito Productive and Improvement Association.

"Chairman Kirkwood has asked for the following:

1. Review of the transcript of the hearing by the office of the Attorney General and recommendations as to the authority for inclusion of specific operating restrictions in the lease as supported by Santa Barbara County.
2. In the event that operating rules and regulations currently proposed have not been processed prior to the offering of the subject proposed lease, full hearing should be held on terms and conditions proposed to be included in the lease in lieu of such rules and regulations.
3. The report and recommendations of the Executive Officer on all terms and conditions to be included in the lease offer should be made available for public review in advance of presentation to the Commission.

"Section 6873.2, Public Resources Code, provides in part with respect to requirements subsequent to a public hearing that within 30 days after such hearing 'the commission shall determine to offer the land for lease, as provided under Section 6871.3, 6872, 6872.1, unless the commission shall determine that the issuance of a lease as to all or part of such land would result in an impairment or interference with the developed shoreline, recreational or residential areas adjacent to the proposed leased acreage, or the commission may determine to offer such land for lease as to all or part thereof and include in the offer for lease such reasonable rules and regulations which, in the opinion of the commission, are necessary for the exploration, development and operation of said lease in a manner which will not impair or interfere with said developed shoreline, recreational or residential areas ...'. Such 30-day period will expire on February 10, 1956 in this instance."

"An application was received January 10, 1956 from Standard Oil Company of California requesting that the Commission consider offering for oil and gas lease under the Public Resources Code

approximately 5,300 acres of tide and submerged lands at Summerland, lying easterly of the reservation specified in Section 6871.2 (b) Public Resources Code, including the area of 2,500 acres on which public hearing has been held under W. O. 2046 as reported in Calendar Item 33, page 9. It is suggested that in consideration of the stage in process of the latter consideration as to the offer of the 2,500-acre parcel, that the additional new area of 2,800 acres suggested by Standard Oil Company of California be processed separately for lease consideration."

The Executive Officer informed the Commission that he would like to have both parcels referred to above put up for bid at the same time, or to have them put up as one parcel, but that regardless of what is done there would have to be an opportunity given for a hearing on the additional area.

Mr. Kirkwood suggested combining the two applications into one parcel of 5,300 acres, and starting over, putting out the entire acreage as one area.

Mr. Hove pointed out that it was his understanding that the original St. Anthony application was predicated upon its being partially a development lease based on drainage. He believed that the staff would be able to reach a decision before the 30-day period expired as to how much should be included in a development lease. However, he concurred with Mr. Kirkwood that it would be in order to put up a larger area. He pointed out that at the recent Santa Barbara hearing there appeared to be no actual objection to offshore tide and submerged land leases, the principal points raised being matters of protection of aesthetic and property values. He indicated that putting up the two applications as a single lease would result in a greater bonus to the State, and that by doing this the desires of the community as expressed at the Santa Barbara hearing would be much more fully met, as only a minimum number of platforms would be required, which could not be possible if the area was broken into two leases.

Mr. Rubel indicated that although the Union Oil Company had no present interest in these lease applications, he wondered if it was the policy of the Commission, perhaps, to eliminate St. Anthony from consideration by putting up a larger area which would require more bonus bid money and might freeze out a small company.

Mr. Kirkwood stated that he was looking on the suggested procedure as an insurance of the original St. Anthony application rather than as an attempt to by-pass it, but because of the possibility that a small company might not be able to bid on the larger area, he felt that the Commission should proceed on the St. Anthony application as though the new one had not been received.

Mr. Kirkwood further indicated that he was concerned with proceeding because of Section 6873 of the Public Resources Code, which states "shall conform to the rules and regulations of the commission in effect at the time of invitation for bids in pursuance of which the lease is awarded". He wanted to be certain that the Commission can include requirements in leases that are not in the rules and regulations at the time. Mr. Rountree, upon being questioned

on this point, reported that although he had given it some study, he was not yet ready to advise the Commission. Therefore, the Executive Officer was instructed to prepare a request to the Attorney General on the foregoing point in an attempt to obtain an answer before the next meeting of the Commission.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO PROCESS UNDER THE PROVISIONS OF SECTION 6873.2 OF THE PUBLIC RESOURCES CODE THE CONSIDERATION OF OFFERING FOR OIL AND GAS LEASE APPROXIMATELY 5,300 ACRES OF TIDE AND SUBMERGED LANDS AT SUMMERLAND, SANTA BARBARA COUNTY, AS INITIATED UNDER W. O. 2046 AND W. O. 2253, BOUNDED AS FOLLOWS:

ON THE NORTH BY A CALIFORNIA COORDINATE SYSTEM, ZONE V, GRID LINE HAVING A Y VALUE OF 335,040; ON THE EAST BY A GRID LINE HAVING AN X VALUE OF 1,531,680; ON THE SOUTH BY A LINE DRAWN PARALLEL TO THE HIGH WATER MARK AND DISTANT THEREFROM THREE MILES; AND ON THE WEST BY THE EASTERLY BOUNDARY OF THE TIDE AND SUBMERGED LANDS DESCRIBED IN SECTION 6871.2 (b) PUBLIC RESOURCES CODE.