

MINUTE ITEM

7. (AMENDMENTS TO TITLE 2, CALIFORNIA ADMINISTRATIVE CODE - W. O. 2705.)

Following presentation of Calendar Item 28 attached, Mr. J. Barton Hutchins appeared on behalf of Edwin W. Pauley & Associates, and suggested, for purposes of clarification, that the third paragraph of proposed Section 2100(b) be amended to read:

Geological survey permits are required for the conduct of geological surveys on and under tide and submerged lands of this State where geological samples are obtained through any drilling operations; provided, however, that drilling operations as used herein shall include only those types of operations wherein the bore hole is drilled using conventional rotary or cable tool drilling equipment and shall not apply to nor shall a permit be required for operations wherein geological samples are obtained by "jet" and/or "dart" or "ocean floor grab sample" methods, wherein conventional rotary or cable tool drilling equipment is not used or employed.

It was indicated that other representatives of the oil industry wanted to endorse the proposed amendment, and, upon questioning by the Chairman, reports as follows were received from those present:

Mr. Paul K. Home of Standard Oil Company of California. In full sympathy with the desires of both the staff of the Commission and of Edwin W. Pauley & Associates, but, generally speaking, felt that the requirements of permits should be limited to those operations requiring explosives or penetration of State lands, and that the recommendation of the staff of the Commission would make clear this intention. The precise wording of the amendment proposed by Mr. Hutchins was questioned as it referred entirely to conventional rotary drilling methods, and it is possible that rotary methods might be employed which could be considered unconventional.

Mr. K. M. Cook of the Richfield Oil Company. No comment.

Mr. Paul Ottoson of Signal Oil and Gas Company. Suggested that the proposed rule change is unnecessary.

Mr. J. G. Leovy of the Western Gulf Oil Company. Stated that the purpose of the proposed change submitted by Mr. Hutchins appears to be good in principle, but that the language suggested is too broad.

Mr. Hutchins indicated that his company would be willing to eliminate the word "conventional" to meet the objections raised.

The Executive Officer informed the Commission that the suggestion made by Mr. Hutchins had been considered by the staff in committee sessions with the oil industry, and that there was an objection to adding the proposed wording because the stated exclusions were too limited.

Following questioning by the Chairman, the Executive Officer indicated that immediate action was not necessary on the proposed rule amendment.

Mr. Kirkwood called attention to the fact that the wording proposed by Mr. Hutchins might more properly be included in the first rather than in the final paragraph of the rule, and suggested that the office of the Attorney General be requested to review this point.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE PROPOSED AMENDMENT OF RULE 2100 WAS RE-REFERRED TO THE STAFF FOR FURTHER CONSIDERATION.

Attachment

Calendar Item 28 (2 pages)

CALENDAR ITEM

MISCELLANEOUS

28.

(AMENDMENTS TO TITLE 2, CALIFORNIA ADMINISTRATIVE CODE - W. O. 2705.)

On October 8, 1957 (Minute Item 17, pages 3564-66) the Commission authorized the Executive Officer to initiate procedures under the provisions of Section 11420 et seq., Government Code, to amend Section 2100(b) and Section 2100 (c) of Title 2, California Administrative Code, by the addition of certain language to Section 2100 (b) and the deletion of certain language from Section 2100(c).

In accordance with the provisions of the Government Code sections aforementioned, the proposed amendments to the administrative code sections were published, with the specification that statements relative thereto would be received during the 30-day period terminating December 2, 1957.

One statement suggesting modification of the proposed amendment was received. However, the consensus of all informal discussions has been for adoption of the amendments as published. In view of the foregoing:

IT IS RECOMMENDED THAT THE COMMISSION ADOPT THE FOLLOWING:

"AFTER PROCEEDINGS HAD, IN ACCORDANCE WITH THE PROVISIONS OF THE ADMINISTRATIVE PROCEDURES ACT (GOVERNMENT CODE, TITLE 2, DIVISION 3, PART 1, CHAPTER 4), AND PURSUANT TO THE AUTHORITY VESTED BY SECTION 6108 OF THE PUBLIC RESOURCES CODE, THE STATE LANDS COMMISSION HEREBY AMENDS AND ADOPTS ITS REGULATIONS IN TITLE 2, CALIFORNIA ADMINISTRATIVE CODE, AS FOLLOWS:

AMENDS SECTION 2100(b) TO READ:

- (b) THE TAKING OF CORES AND OTHER SAMPLES MAY BE CONDUCTED ON AND UNDER TIDE AND SUBMERGED LANDS OF THE STATE ONLY IF A PERMIT THEREFOR IS FIRST OBTAINED FROM THE STATE LANDS COMMISSION.

GEOPHYSICAL SURVEY PERMITS ARE REQUIRED FOR THE CONDUCT OF GEO-PHYSICAL SURVEYS ON ALL STATE LANDS BY ANY SEISMIC METHOD EMPLOYING EXPLOSIVES.

GEOLOGICAL SURVEY PERMITS ARE REQUIRED FOR THE CONDUCT OF GEOLOGICAL SURVEYS ON AND UNDER TIDE AND SUBMERGED LANDS OF THIS STATE WHERE GEOLOGICAL SAMPLES ARE OBTAINED THROUGH ANY DRILLING OPERATIONS.

AMENDS SECTION 2100(c) TO READ:

- (c) A PERSON WHO POSSESSES THE QUALIFICATIONS IN SECTION 1902(a) HEREOF MAY MAKE APPLICATION TO THE COMMISSION FOR A GEOPHYSICAL OR GEOLOGICAL SURVEY PERMIT, OR A WRITTEN REQUEST UNDER THE

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PROVISIONS OF SECTION 6871.3 OF THE PUBLIC RESOURCES CODE THAT LANDS BE OFFERED FOR BIDDING FOR AN OIL AND GAS LEASE. SUCH WRITTEN REQUEST SHALL CONTAIN THE FOLLOWING:

- (1) A DESCRIPTION OF THE STATE LANDS INVOLVED.
- (2) NAME, ADDRESS, AND STATUS OF CITIZENSHIP OF REQUESTOR; IF REQUESTOR IS A CORPORATION, THE CORPORATE NAME AND NAME OF PRESIDENT, SECRETARY AND OFFICER AUTHORIZED TO EXECUTE CONTRACTS AND LEASES.

THIS ORDER SHALL TAKE EFFECT ON THE 30TH DAY AFTER ITS FILING WITH THE SECRETARY OF STATE AS PROVIDED IN SECTION 11422 OF THE GOVERNMENT CODE.

THE EXECUTIVE OFFICER IS AUTHORIZED TO FILE THIS AMENDMENT OF TITLE 2, CALIFORNIA ADMINISTRATIVE CODE, WITH THE SECRETARY OF STATE."