

MINUTE ITEM

34. OFFSHORE OIL AND GAS DEVELOPMENT, SANTA BARBARA COUNTY - W.O. 3537.

The Chairman requested information on a report that the Shell Oil Company had nominated leases for Santa Barbara tide and submerged lands. The Executive Officer confirmed the fact that this company had submitted an application for consideration by the Commission of an offer for the lease of certain areas of tidelands west of the City of Santa Barbara, Santa Barbara County, for oil and gas development. He advised that the proposal for the necessary public hearings would be submitted to the Commission at its next meeting. He suggested that the Commission may indicate its interest to consider additional tidelands development and that it should be restricted to Santa Barbara County at this time.

The Executive Officer pointed out that apparent renewed interest may indicate a trend of optimism for the future and that development of reserves was a long-range project, not necessarily tied to current economic conditions. Further factors which appear to favor interest in additional domestic production are the question of maintaining title to foreign oil, and the fact that recent developments indicate that someone may believe it is now possible to extract oil in deeper water than in the past.