

MINUTE ITEM

14. APPLICATION FOR APPROVAL OF CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, PHILLIPS PETROLEUM COMPANY, OIL AND GAS LEASE P.R.C. 2207.1, OFFSHORE SANTA BARBARA COUNTY - W.O. 3596.

After consideration of Calendar Item 20 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE LOCATION AND CONSTRUCTION BY PHILLIPS PETROLEUM COMPANY OF A DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 10,200 FEET S. 30° 43' W. OF GATO, SANTA BARBARA COUNTY, WITHIN THE AREA OF OIL AND GAS LEASE P.R.C. 2207.1, SUBJECT TO THE CONDITION THAT A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 IN FAVOR OF THE STATE OF CALIFORNIA SHALL BE FILED AND MAINTAINED WITH THE STATE TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE IN THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND THE REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 2207.1.

Attachment

Calendar Item 20 (1 page.)

CALENDAR ITEM

20.

APPLICATION FOR APPROVAL OF CONSTRUCTION OF A DRILLING AND PRODUCTION PLATFORM, PHILLIPS PETROLEUM COMPANY, OIL AND GAS LEASE P.R.C. 2207.1, OFFSHORE SANTA BARBARA COUNTY - W.O. 3596.

State Oil and Gas Lease P.R.C. 2207.1, covering 3,840 acres of tide and submerged lands, was issued on July 25, 1958, to Phillips Petroleum Company, Edwin W. Pauley, et al. An application has been received from Phillips Petroleum Company, operator under the lease, for approval of the construction of a stationary drilling and production platform, approximately 10,200 feet S. 30° 43' W. of Gato, Santa Barbara County.

General specifications for the modification of mobile drilling barge Pacific Driller No. 1 to a permanent drilling platform have been submitted and reviewed by the staff. Under the code-name procedure adopted by the oil industry and the U. S. Coast Guard, it is proposed to name the offshore platform "Harry".

The plans for placement of the proposed offshore structure were referred to the Department of Natural Resources; and the application was referred to the office of the Attorney General for review, as required by Section 6818 of the Public Resources Code. After examination and review, the Department of Natural Resources reported that erection of the platform will not interfere with the recreational use of lands littoral to the tide and submerged lands covered in the lease. The office of the Attorney General has advised that there is no legal objection, provided specific requirements of the Code are met. These requirements are included in the terms of the lease and the Rules and Regulations of the Commission.

The Corps of Engineers has issued a Department of the Army permit, authorizing the construction and maintenance of the drilling and production platform at the specified location.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE LOCATION AND CONSTRUCTION BY PHILLIPS PETROLEUM COMPANY OF A DRILLING AND PRODUCTION PLATFORM, APPROXIMATELY 10,200 FEET S. 30° 43' W. OF GATO, SANTA BARBARA COUNTY, WITHIN THE AREA OF OIL AND GAS LEASE P.R.C. 2207.1, SUBJECT TO THE CONDITION THAT A GOOD AND SUFFICIENT BOND IN THE AMOUNT OF \$500,000 IN FAVOR OF THE STATE OF CALIFORNIA SHALL BE FILED AND MAINTAINED WITH THE STATE TO GUARANTEE THE FAITHFUL PERFORMANCE BY THE LESSEE IN THE CONSTRUCTION AND MAINTENANCE OF THE PLATFORM AND THE REMOVAL THEREOF AT THE REQUEST OF THE STATE UPON THE EXPIRATION OR SOONER TERMINATION OF THE LEASE, AS REQUIRED BY SECTION 14 OF OIL AND GAS LEASE P.R.C. 2207.1.