

MINUTE ITEM

23. INFORMATIVE.

Calendar Items 14, 23, and 26 attached, covering the following subjects, were submitted for information only, no Commission action being needed:

- (A) PROPOSED OCEAN-FLOOR OIL-WELL COMPLETION, STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., SANTA BARBARA COUNTY - P.R.C. 2199.1.
- (B) STATUS OF LEGISLATION - 1961 SESSION - W.O. 3300.2.
- (C) STATUS OF MAJOR LITIGATION - W.O.s 3019, 2224, 2716, 3863, AND 3657.

Attachment

Calendar Items 14, 23, and 26 (4 pages)

CALENDAR ITEM

INFORMATIVE

14.

PROPOSED OCEAN FLOOR OIL WELL COMPLETION, STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., SANTA BARBARA COUNTY - P.R.C. 2199.1.

Standard Oil Company of California, Western Operations, Inc., operator under Oil and Gas Lease P.R.C. 2199.1, has submitted drilling programs for two wells to be drilled into the leased land approximately 12,000 feet from shore in water depths of approximately 235 feet, using mobile marine equipment. If the wells are productive, it is proposed to complete them by the installation of oil well production heads, supported by a cantilever mast rising approximately 135 feet above the ocean floor. The production control head will be approximately ten feet in height with the top elevation of the assembly approximately 90 feet below mean lower low tide.

The top of the mast will support a small circular working platform to facilitate work on the well head by divers, whose work would be much less effective in water depths of 235 feet. Most of the drilling and completion operations will be carried out without diver assistance. An underwater television camera has been installed to assist in these operations.

The production tubing will be fitted with a "fail safe" type choke valve approximately 300 feet below the ocean floor, which will close automatically and shut in the well in the event a leak develops in the equipment above the ocean floor. The production well head equipment will be controlled by "fail safe" valves, which operate automatically in the event of any pressure leakage or which can be operated remotely from onshore.

The cantilever mast as designed underwent rigorous structural and dynamic analysis by company engineers and by a licensed structural engineer, and is designed to withstand the same underwater forces used in the design of Standard's offshore drilling and production platform at Summerland. Pursuant to suggestions by the Commission's technical staff, Standard will incorporate additional safety monitoring features in at least one of the units for environmental proofing after installation.

A Department of the Army permit, authorizing the placement of the production head on the ocean floor as a noninterference with navigation, has been issued by the Corps of Engineers. The Coast Guard has reported that the placement of the equipment at the selected location will not require their approval. The location will be marked at the surface by a spar buoy after the drilling vessel leaves.

Production from the wells will be transported to onshore storage through a multiple assembly of ocean floor pipelines.

CALENDAR ITEM

INFORMATIVE

23.

STATUS OF LEGISLATION - 1961 SESSION - W.O. 3300.2.

On December 22, 1960 (Minute Item 32, page 6589), the Commission authorized the introduction of six legislative bills for the purpose of clarifying sections of the Public Resources Code. These bills, introduced by Senator Stanley Arnold as Senate Bills 237 through 242 inclusive, have all been signed by the Governor and will be effective on September 15, 1961, as follows:

S.B. 237	Chapter 354
S.B. 238	Chapter 355
S.B. 239	Chapter 356
S.B. 240	Chapter 357
S.B. 241	Chapter 394
S.B. 242	Chapter 358

The staff have also followed the progress of 28 Senate bills and 22 Assembly bills which would have a definite effect on the laws governing the Commission's operations, and of 11 Senate bills and 12 Assembly bills which may have an incidental or corollary effect on the Commission's operations.

CALENDAR ITEM

INFORMATIVE

26.

STATUS OF MAJOR LITIGATION - W.O.s 3019, 2224, 2716, 3863, AND 3657.

The following information is current as of June 6, 1961:

1. Case No. 800-58 WM Civil W.O. 3019
U.S. vs. Anchor Oil Corporation, et al.
U.S.D.C., Southern District, Los Angeles County
(Long Beach Subsidence Matter)

(Request by U.S. for court order to shut down Wilmington Field, if satisfactory subsurface repressuring programs for land-surface-subsidence alleviation are not put into operation.)

No substantial change in status since report given at meeting of October 29, 1959; i.e., a copy of the plaintiff United States' reply to State's counterclaim was received on August 12, 1959. Discovery proceedings have commenced. Plaintiff United States has served written interrogatories on various co-defendants, but not on defendant State of California. It is anticipated that defendants will serve written interrogatories on the Federal Government. On February 28, 1961, the Motion of the United States to dismiss approximately 120 private defendants was granted. Plaintiff will take deposition of L. W. Brock, Principal Petroleum Engineer, Petroleum Division, Long Beach Harbor Department, on June 7, 1961.

2. Case No. 683824 W.O. 2224
People vs. City of Long Beach
Los Angeles County Superior Court
(Alamitos Bay Quitclaim Litigation)

(Settlement of question as to whether title to oil and gas is vested in City or State in lands granted to City by State and subsequently quitclaimed to State by City.)

Record on Appeal has been filed. Appellant State's opening brief was filed May 5, 1961. Respondent City's Reply Brief is due on July 5, 1961.

3. Case No. 747562 (now consolidated with Case No. 646466) W.O. 2716
People vs. City of Long Beach, et al.
Los Angeles County Superior Court
(Long Beach Boundary Determination, Chapter 2000/57)

On May 15, 1961, the City filed a General and Special Demurrer, with Points and Authorities in Support Thereof, to the State's Complaint. The State's Points and Authorities are expected to be on file on or about June 15, 1961, and a hearing before Judge Kincaid probably will take place sometime the early part of July 1961.

INFORMATIVE 26. (CONTD.)

4. Case No. 75730 W.O. 3863
City of Hermosa Beach vs. State of California,
State Lands Commission, et al.
Los Angeles County Superior Court
(An action filed by the City for declaratory relief and
for instructions to Trustee.)

The State filed a Special Demurrer, seeking clarification of the City's Complaint, which was heard by Judge Praeger on June 5, 1961, at which time the Demurrer was sustained in part and overruled in part. The City will file an Amended Complaint within the next week or so.

5. Case No. 251089 W.O. 3657
People vs. Coronado Beach, Inc.
San Diego County Superior Court
(Action filed by the State to affirm the State's sovereign ownership of accreted lands waterward of the Ordinary High Water Mark established by the Commission's survey of June 1941, bounding uplands owned by Coronado Beach, Inc., on the ocean side of Silver Strand, San Diego County.)

The State filed Objections to Findings, which were accepted in part and overruled in part. Findings and Conclusions were signed and Judgment entered against State. State will move for new trial.