

MINUTE ITEM

28. PROPOSED OIL AND GAS LEASE, SANTA BARBARA - W.O. 4330 (PARCEL 7).

After consideration of Calendar Item 33 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO OFFER THE HEREINAFTER DESCRIBED PARCEL OF TIDE AND SUBMERGED LANDS IN SANTA BARBARA COUNTY FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE.

THE BID-LEASE FORM TO BE UTILIZED FOR THE PARCEL SHALL BE THE FORM APPROVED AND ADOPTED BY THE COMMISSION ON NOVEMBER 15, 1960, AND SHALL CONTAIN THE FOLLOWING PROVISION:

NO PERMANENT FILLED LANDS, PLATFORMS OR OTHER FIXED OR FLOATING STRUCTURES FOR WELL SITES OR OTHER OPERATIONS FOR OIL AND GAS DEVELOPMENT FROM THE AREA LEASED HEREUNDER SHALL BE CONSTRUCTED, USED, MAINTAINED OR OPERATED AT ANY LOCATION LESS THAN ONE STATUTE MILE SEAWARD OF THE ORDINARY HIGH WATER MARK OF SANTA BARBARA CHANNEL, PROVIDED THAT THIS SECTION SHALL NOT APPLY TO FILLED LANDS, PLATFORMS OR FIXED OR FLOATING STRUCTURES IN, ON, OR OVER TIDE AND SUBMERGED LANDS CONSTRUCTED PRIOR TO THE DATE OF THIS LEASE, WITH RESPECT TO WHICH THE STATE OR OTHER OWNER THEREOF HAS CONSENTED TO SUCH USE.

<u>PARCEL</u>	<u>WEST BOUNDARY</u>	<u>EAST BOUNDARY</u>	<u>AREA (ACRES)</u>
W.O. 4330 (PARCEL 7)	1,320,570	1,330,720	4,250.14

ALL COORDINATES ARE GIVEN IN CALIFORNIA COORDINATE SYSTEM, ZONE 5.

THE LANDWARD (NORTHERLY) BOUNDARY OF THE PARCEL IS THE ORDINARY HIGH WATER MARK OF SANTA BARBARA CHANNEL.

THE SEAWARD (SOUTHERLY) BOUNDARY OF THE PARCEL IS A LINE PARALLEL TO THE ORDINARY HIGH WATER MARK AND SEAWARD THEREFROM THREE NAUTICAL MILES.

THE LEASE RENTAL IS TO BE \$1 PER ACRE PER YEAR.

THE LEASE AWARD SHALL BE MADE TO THE QUALIFIED BIDDER OFFERING THE HIGHEST CASH-BONUS PAYMENT IN CONSIDERATION OF THE ISSUANCE OF AN OIL AND GAS LEASE.

Attachment

Calendar Item 33 (2 pages)

*See minute Item 1, pg 8161, meeting of July 19, 1960, which corrects this item. F. D. Denny*

CALENDAR ITEM

33.

PROPOSED OIL AND GAS LEASE, SANTA BARBARA - W.O. 4330 (PARCEL 7).

Pursuant to the sequential bidding procedure approved by the State Lands Commission on November 15, 1960, for oil and gas lease offers of tide and submerged lands, it has been determined by the staff that the offshore area designated as W.O. 4330 (Parcel 7), a portion of which includes land lying east of Gaviota, should be offered for lease.

By agreement with the County of Santa Barbara, oil and gas lease forms currently in use for the tidelands area east of Gaviota contain the following condition:

"No permanent filled lands, platforms, or other fixed or floating structures for well sites or other operations for oil and gas development from the area leased hereunder shall be constructed, used, maintained or operated at any location less than one statute mile seaward of the ordinary high water mark . . ."

To assure complete mutual understanding as to the bases for employing ocean-floor installations closer than one mile from shore in oil and gas leases to be offered by the State Lands Commission in the tidelands area between Gaviota and Elwood, this Division explained to the Santa Barbara County officials the merits and techniques of ocean-floor completions, that it is desirable to employ ocean-floor completions wherever feasible, and that the previously quoted conditions of the current oil and gas lease form permits such operations.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO OFFER THE HEREINAFTER DESCRIBED PARCEL OF TIDE AND SUBMERGED LANDS IN SANTA BARBARA COUNTY FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE.

THE BID-LEASE FORM TO BE UTILIZED FOR THE PARCEL SHALL BE THE FORM APPROVED AND ADOPTED BY THE COMMISSION ON NOVEMBER 15, 1960, AND SHALL CONTAIN THE FOLLOWING MODIFICATION TO SECTION 8 OF EXHIBIT "A":

8. No permanent filled lands, platforms, or other fixed or floating structures for well sites or other operations for oil and gas development from the area leased hereunder shall be constructed, used, maintained or operated at any location less than one statute mile seaward of the ordinary high water mark of the ~~Pacific Ocean~~ Santa Barbara Channel. Provided, however, that this section shall not apply to drilling and completion of a submerged ocean floor oil or gas well; and provided further that this section shall not apply to filled lands, platforms or fixed or floating structures in, on or over tide and submerged lands constructed prior to the date of this lease with respect to which the State or other owner thereof has consented to such use.

CALENDAR ITEM 35. (CONTD.)

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