

MINUTE ITEM

31. DETERMINATION OF COMMISSION POLICY WITH RESPECT TO OFFSHORE DRILLING AUTHORIZED BY RECIPIENTS OF LEGISLATIVE TIDELAND GRANTS REQUISITE TO THE DEVELOPMENT OF PETROLEUM RESOURCES WITHIN THE GRANTEE'S JURISDICTION - W.O. 6000, W.O. 4636.

Consideration of Calendar Item 29 attached was deferred to the September 24, 1964, meeting of the Commission.

Attachment
Calendar Item 29 (2 pages)

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CALENDAR ITEM

29.

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At the State Lands Commission meeting on July 28, 1961, action on this subject was continued in order for the staff and the City of Los Angeles representatives to conduct a joint review of the drilling and production technology of the oil industry relative to the development of offshore oil and gas deposits to determine any method of operation that would result in an economically feasible oil exploitation program and also satisfy esthetic requirements.

This subject has been reviewed and discussed with the Petroleum Administrator of the City of Los Angeles. The various departments of the City with responsibility in this area of operation have made a comprehensive study of all anticipated problems attending offshore oil drilling and production operations (see Exhibit "A").

During the course of this study by the City Planning Commission and in accordance with City ordinances, a declaration was issued by the Planning Commission regarding zoning classification to allow offshore drilling, and studies were initiated for the purpose of developing appropriate zoning controls for offshore areas within the City.

As the result of a preliminary review, the Planning Commission determined that in order to adequately protect residentially zoned land onshore and areas of scenic, esthetic, or recreational value from intrusion of incompatible uses, no offshore drillsites should be permitted within one mile of residentially zoned land onshore. A short time thereafter, the Planning Commission decided to require all wells to be underwater completions, to permit no drillsites within one mile of onshore property with specifically zoned areas, and to permit bottoming and slant drilling from approved drillsites.

The Planning Commission, after a full discussion of offshore development and suitable controls which could be reasonably exercised thereon, reached the conclusions specified in Exhibit "7" which is a part of Exhibit "A" and includes the following provisions:

"The City has a responsibility to provide adequate control of this development to assure that it will not be materially detrimental to the scenic and recreational features of our limited coastline.

"All offshore oil drilling techniques, the ocean floor completion, the island and the platform are subject to certain limitations that make their use unfeasible in given situations. Such factors as depth of water, depth of oil sands and quality

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of the oil will determine the most feasible method. To limit all offshore drilling to one single technique when most of these critical factors are still unknown, would appear to be undesirable and could seriously limit potential development."

As the result of these recommendations, the City Council adopted Ordinance No. 126825 (see Exhibit "B").

Evaluation of possible net profits resulting from the development of Parcel 1 from a drilling and production platform compared with development through the use of ocean floor completed wells and a production platform indicates that more revenue could result to the City through the use by its lessee of a drilling and production platform in the development of any oil and gas deposits that may underlie Parcel 1.

IT IS RECOMMENDED THAT THE COMMISSION ESTABLISH A POLICY FOR CONSIDERATION FOR APPROVAL OF APPLICATIONS BY COASTAL COMMUNITIES HAVING AN INTENTION TO DEVELOP THE PETROLEUM RESOURCES UNDER THEIR JURISDICTION WHEN SUCH APPLICATION IS BASED UPON COMPLETE REVIEW AND COMPREHENSIVE PLAN, ENFORCEABLE BY ORDINANCE, FOR GOVERNING OFFSHORE ACTIVITIES WITHIN THE RESPECTIVE MUNICIPAL LIMITS.