

MINUTE ITEM

8/28/68

49. PROPOSED SUBMERGED LAND OIL AND GAS LEASES, SANTA BARBARA COUNTY -
PARCEL 60 (W.O. 6945) AND PARCEL 61 (W.O. 6950).

Precedent to consideration of the award of State oil and gas leases covering
Parcels 60 and 61, the Executive Officer reviewed in detail the information
in Calendar Item 59 attached.

Attachment
Calendar Item 59 (2 pages)

59.

PROPOSED SUBMERGED OIL AND GAS LEASES, PARCEL 60 AND PARCEL 61 - W.O. 6945 AND W.O. 6950.

On April 25, 1968, the State Lands Commission authorized offering for oil and gas lease those parcels of submerged land in Santa Barbara County designated as Parcels 60 and 61 (Exhibit "A").

As a part of the Commission's consideration in the offering of these parcels was the protection of the State from oil and gas drainage of unleased State-owned lands. Additionally, and in order to prevent any possible encroachment upon lands that could be subject to a claim of Federal ownership, the lands authorized to be leased were divided into undisputed and disputed areas. As a condition of the proposed leases, no exploration or development operations would be permitted in the disputed area until the State's title thereto is established.

Basically, the controverted boundary can be reduced to two problems:

- (1) Whether or not the Standard Oil Company of California's pier at Carpinteria qualifies as a base point for the measurement of the three-mile boundary, and
- (2) whether or not offshore rocks near Sand Point are above the level of mean lower low water.

Resolution of the first problem will, in all probability, require judicial clarification as to the meaning of the term "coastline" as used in the Submerged Lands Act and further defined in the Supplemental Decree, U.S. v. California, 382 U.S. 448. If, as California contends, the Standard Oil Company pier at Carpinteria qualifies as a permanent harbor works within the meaning of the Supplemental Decree, the offshore three-mile boundary will be measured from the outer end of the pier.

The second problem, regarding the elevation of the offshore rock near Sand Point, is a technical one and may be resolved in the near future. At the request of the U.S. Bureau of Land Management, the Coast and Geodetic Survey recently completed a survey and report on this area. It was concluded in the report that a particular rock which was surveyed did not surface at mean lower low water and therefore did not qualify as a point from which to measure the State-ownership boundary. Also, the Coast and Geodetic Survey reported different coordinates for the horizontal location of several undisputed base points and the disputed Standard Oil Company pier base point. The Division has received a copy of this report, and, after review for compliance with the principles of the Supplemental Decree, has requested additional supporting data.

Prior to offering the proposed leases, the Attorney General corresponded with the U.S. Solicitor General regarding the legality of the leasing procedure that the State intended to follow. The Solicitor General concurred with the State that the interests of the United States are fully protected, and he offered no objection to the State's proceeding with the lease offer.

INFORMATIVE CALENDAR ITEM 59. (CONTD.)

No new factual data are available currently to warrant the withdrawal of the subject parcels from lease offer. The State of California still must act in order to protect its interest in the undisputed lands. The issuance of the subject leases will in no way disadvantage the Federal Government and its lessees, nor the State of California and its lessees, with respect to the disputed area.