

MINUTE ITEM

2/24/72
EGJ

24. EASEMENT NOT TO EXCEED 49 YEARS, TIDE AND SUBMERGED LANDS OF THE SOUTH FORK MOKELUMNE RIVER, SAN JOAQUIN COUNTY; UNION OIL COMPANY OF CALIFORNIA - W 9499, PRC 4652.1.

After consideration of Calendar Item 19 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. FINDS THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 43 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, THE ISSUANCE OF A SUBSURFACE EASEMENT UNDERLYING THE SOUTH FORK MOKELUMNE RIVER WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.
2. AUTHORIZES THE ISSUANCE TO UNION OIL COMPANY OF CALIFORNIA OF AN EASEMENT FOR THE SUBSURFACE WELL BORE OF A WELL TO BE DRILLED THROUGH STATE LAND LYING WITHIN A CORRIDOR DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR A PERIOD TO RUN CONCURRENTLY WITH THE LEASES ON THE ADJACENT UPLAND ON WHICH THE WELL WILL BE COMPLETED, THE ANNUAL RENTAL AND EXACT LOCATION WITHIN THE 200 STRIP DESCRIBED IN EXHIBIT "A" TO BE DETERMINED UPON COMPLETION OF THE WELL; THE ANNUAL RENTAL TO BE REVIEWED AND SUBJECT TO MODIFICATION ON EACH FIFTH ANNIVERSARY OF THE LEASE.

Attachment:

Calendar Item 19 (3 pages)

CALENDAR ITEM

2/72
W 9499
EGJ

19.

EASEMENT

APPLICANT: Union Oil Company of California.

LOCATION: South Fork Mokelumne River at its junction with Beaver Slough, San Joaquin County.

PROPOSED USE: An easement covering that portion of the subsurface well bore of a well to be drilled through State land underlying the South Fork Mokelumne River to a bottom hole location on privately owned land.

TERM: To run concurrently with the leases on the adjacent upland on which the well will be completed, but not to exceed 49 years.

CONSIDERATION: To be determined upon completion or abandonment of the well under the provisions of Administrative Code Section 2005(b)(6).

BASIS FOR CONSIDERATION:

\$0.01 (one cent) per diameter-inch per lineal-foot of the well bore, or \$0.01 (one cent) per diameter-inch per lineal-foot of the casing.

PREREQUISITE ITEMS:

Applicant is lessee of the uplands on both sides of the river. If the well is productive, the State will receive a royalty share of the gas to the extent of the State's equity share as provided for in a compensatory gas agreement currently being negotiated for the area.

OTHER PERTINENT INFORMATION:

Union Oil Company proposes to drill a well from a surface location on Staten Island near their Milton and Towne A-6 well to an objective on privately owned land on the east side of the river. The subsurface course will fall within a 200-foot-wide corridor across the South Fork Mokelumne River as described in Exhibit "A". Upon completion of the well, the area of the easement will be adjusted to a 20-foot diameter cylinder, the centerline of which will be determined by the final surface location of the well and the subsurface survey of the well bore.

EXHIBITS: A. Legal description. B. Location map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 43 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, THE ISSUANCE OF A SUBSURFACE EASEMENT UNDERLYING THE SOUTH FORK MOKELUMNE RIVER WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.

CALENDAR ITEM 19. (CONTD.)

2. AUTHORIZE THE ISSUANCE TO UNION OIL COMPANY OF CALIFORNIA OF AN EASEMENT FOR THE SUBSURFACE WELL BORE OF A WELL TO BE DRILLED THROUGH STATE LAND LYING WITHIN A CORRIDOR DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FOR A PERIOD TO RUN CONCURRENTLY WITH THE LEASES ON THE ADJACENT UPLAND ON WHICH THE WELL WILL BE COMPLETED, THE ANNUAL RENTAL AND EXACT LOCATION WITHIN THE 200 STRIP DESCRIBED IN EXHIBIT "A" TO BE DETERMINED UPON COMPLETION OF THE WELL; THE ANNUAL RENTAL TO BE REVIEWED AND SUBJECT TO MODIFICATION ON EACH FIFTH ANNIVERSARY OF THE LEASE.

Attachment: Exhibit "A"

EXHIBIT "A"

A parcel of tide and submerged land 200 feet wide across the South Fork Mokelumne River in San Joaquin County, the centerline of said parcel being described as follows:

Beginning at a point which lies 100 feet south and 100 feet east of the Union Oil Company well Milton and Towne A-6 which has California Coordinate System Zone 2 coordinates of X = 2,149,563 and Y = 193,415; thence from said point of beginning S. 30° 00' East 600 feet more or less to the ordinary high water mark of the west bank of the South Fork Mokelumne River, being the true point of beginning and centerline of said 200 feet wide strip of land; thence S. 30° 00' E. 340 feet more or less to the ordinary high water mark of the East bank of said South Fork Mokelumne River; thence S. 30° 00' E. 60 feet more or less to a point that lies S. 30° 00' E. 1000 feet from the point of beginning.

Said parcel of land contains 1.56 acres more or less.