

MINUTE ITEM

12/20/73  
RJS

19. 10-YEAR INDUSTRIAL LEASE, TIDE AND SUBMERGED LAND OFFSHORE AT COJO BAY, SANTA BARBARA COUNTY; UNION OIL COMPANY OF CALIFORNIA - W 20649, PRC 4849.1.

After consideration of Calendar Item 17 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS CATEGORICALLY EXEMPT UNDER THE PROVISIONS OF PRC SECTION 21084, AND 14 CAL. ADM. CODE SECTION 15101.
2. AUTHORIZES THE ISSUANCE TO UNION OIL COMPANY OF CALIFORNIA OF A 10-YEAR INDUSTRIAL LEASE FROM JANUARY 1, 1974; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$859.92 ADJUSTED ANNUALLY ACCORDING TO THROUGHPUT USAGE, PROVIDING HOWEVER THAT THE ADJUSTED RENT SHALL NOT BE LESS THAN \$300 PER YEAR, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF \$50,000 SURETY BOND, AND PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$200,000/\$600,000 FOR PERSONAL INJURY AND \$1,000,000 FOR PROPERTY DAMAGE; FOR THE MAINTENANCE OF AN OIL LOADING FACILITY ON THE LAND DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment:

Calendar Item 17 (3 pages)

CALENDAR ITEM

17.

12/73  
RJS  
W 20649

INDUSTRIAL LEASE

APPLICANT: Union Oil Company of California.

AREA, TYPE LAND AND LOCATION:  
A 5.57-acre parcel of tide and submerged land offshore  
at Cojo Bay, Santa Barbara County.

LAND USE: Existing oil loading facility, no change in use.

TERMS OF PROPOSED LEASE:

Initial period: 10 years, from January 1, 1974.

Renewal options: 2 additional periods of 10 years each.

Surety bond: \$50,000.

Public liability insurance:

\$200,000/\$600,000 for personal injury  
and \$1,000,000 for property damage.

CONSIDERATION: \$859.92 per annum adjusted annually as detailed below:

Rental shall be adjusted annually and the net rental shall be determined according to the following schedule: Within sixty days after the close of the lease year, Lessee will notify lessor of the volume of oil transported through the facilities authorized under this lease and the percentage of such throughput originating from sources authorized under Lease PRC 2879.1. The net rental shall be that percentage of the rental rate shown above as is the percentage of throughput originating from sources outside of those authorized under Lease PRC 2879.1; with the State reserving the right to fix a different rental on each fifth anniversary of the lease. The rental shall not however be less than \$300 per year.

BASIS FOR CONSIDERATION:

6% of appraised value of land and adjustment for throughput for product from State leases.

PREREQUISITE TERMS:

U. S. Army Corps of Engineers permit issued.

Applicant is lessee or permittee of upland.

CALENDAR ITEM NO. 17. (CONTD)

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Div. 3, Arts. 1, 2 and 10.

OTHER PERTINENT INFORMATION:

1. An environmental impact report is not required as this project is categorically exempt.
2. The facility was constructed by Phillips Petroleum Company to remove oil from its Oil and Gas Lease PRC 2207.1. There was no charge for the use of the area by Phillips since it was a necessary facility under the provisions of the lease. This type of facility was required because of the remoteness of the area. Phillips is now abandoning and quitclaiming its lease. Union Oil Company, which holds the adjacent Oil and Gas Lease PRC 2879.1, proposes to utilize the storage and loading facility that is being abandoned by Phillips.

EXHIBITS:           A. Land Description.           B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS CATEGORICALLY EXEMPT UNDER THE PROVISIONS OF PRC SECTION 21084, AND 14 CAL. ADM. CODE SECTION 15101.
2. AUTHORIZE THE ISSUANCE TO UNION OIL COMPANY OF CALIFORNIA OF A 10-YEAR INDUSTRIAL LEASE FROM JANUARY 1, 1974; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$859.92 ADJUSTED ANNUALLY ACCORDING TO THROUGHPUT USAGE, PROVIDING HOWEVER THAT THE ADJUSTED RENT SHALL NOT BE LESS THAN \$300 PER YEAR, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF \$50,000 SURETY BOND, AND PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$200,000/\$600,000 FOR PERSONAL INJURY AND \$1,000,000 FOR PROPERTY DAMAGE; FOR THE MAINTENANCE OF AN OIL LOADING FACILITY ON THE LAND DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment: Exhibit "A"

EXHIBIT "A"

W 20649

Parcel 1:

A strip of tide and submerged land 20 feet wide lying in the bed of the Santa Barbara Channel, Santa Barbara County, State of California, being 10 feet on each side of the following described centerline:

BEGINNING at a point having coordinates  $X = 1,271,000$  and  $Y = 355,088$ ; thence  $S 39^{\circ} 39' 24'' E$ , 987.17 feet; thence  $S 10^{\circ} 00' 00'' W$ , 1022.00 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying within Parcel 2.

END OF DESCRIPTION

Parcel 2:

A parcel of tide and submerged land lying in the bed of the Santa Barbara Channel, Santa Barbara County, State of California, more particularly described as follows:

COMMENCING at a point having coordinates of  $X = 1,271,456$  and  $Y = 353,234$ ; thence north 112.50 feet to the TRUE POINT OF BEGINNING; thence along the following 5 courses:

1. East 450 feet;
2. South 225 feet;
3. West 900 feet;
4. North 225 feet;
5. East 450 feet to the true point of

beginning.

This description is based upon the California Coordinate System Zone 5.

END OF DESCRIPTION