31. PUBLIC HEARINGS TO CONSIDER STATUTORY PROVISIONS AND REGULATIONS WHICH RELATE TO THE CUNNINGHAM-SHELL TIDELANDS ACT OF 1955 - W 9758.

During consideration of Calendar Item 30 attached, Mr. E. N. Gladish, Executive Officer, State Lands Commission, presented a brief overview of the Cunningham-Shell Tidelands Act of 1955, as amended. He reported that the Act established leasing procedures, sanctuaries, and other conditions and specifications for leasing which specifically dealt with areas to be leased, requirements of notices to cities and counties, setting alternatives for bidding, etc., relating to State policy with regard to leasing tidelands for the development of oil and gas resources. The Legislature has requested that the Division review the Act and offer modifications for its improvement in light of contemporary standards and needs. Mr. Gladish requested that authorization be made to hold public hearings with regard to soliciting public comments and suggestions. The Division would incorporate this information in a report to the Commission and subsequently forward it to the Legislature for its consideration.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER, OR HIS DESIGNEE, TO HOLD PUBLIC HEARINGS, AS NECESSARY, RELATIVE TO THE LEASING PROVISIONS CONTAINED IN, OR RESULTING FROM, THE CUNNINGHAM-SHELL TIDELANDS ACT IN ORDER TO MAKE RECOMMENDATIONS TO THE COMMISSION REGARDING:

- 1. THE OVERALL EFFECTIVENESS OF GENERAL OIL AND GAS LEASING PROVISIONS; AND
- 2. PROPOSED MODIFICATIONS TO RULES AND REGULATIONS WHICH WOULD FACILITATE IMPROVED MANAGEMENT OF OIL AND GAS DEVELOPMENT ON TIDE, SUBMERGED AND OTHER LANDS UNDER JURISDICTION OF THE COMMISSION.

Attachment: Calendar Item 30 (1 page) 30.

PUBLIC HEARINGS TO CONSIDER STATUTORY PROVISIONS AND REGULATIONS WHICH RELATE TO THE CUNNINGHAM-SHELL TIDELANDS ACT OF 1955

The Cunningham-Shell Tidelands Act of 1955 established general leasing provisions which relate to oil and gas development on State-owned tide and submerged lands. Subsequent to the enactment of this statute, the State Lands Commission adopted rules and regulations designed to amplify and strengthen its various provisions. There is presently a need to carefully assess all policies and procedures which relate to oil and gas development on tide and submerged lands. Environmental, economic, technological, and other resource guidelines or controls have been in effect for quite some time and should be reviewed for possible modification. Public hearings would materially assist in considering the effectiveness of, and the need to change, these controls and guidelines.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER, OR HIS DESIGNATE, TO HOLD PUBLIC HEARINGS, AS NECESSARY, RELATIVE TO THE LEASING PROVISIONS CONTAINED IN, OR RESULTING FROM, THE CUNNINGHAM-SHELL TIDELANDS ACT IN ORDER TO MAKE RECOMMENDATIONS TO THE COMMISSION REGARDING:

- 1. THE OVERALL EFFECTIVENESS OF GENERAL OIL AND GAS LEASING PROVISIONS;
- 2. PROPOSED MODIFICATIONS TO RULES AND REGULATIONS WHICH WOULD FACILITATE IMPROVED MANAGEMENT OF OIL AND GAS DEVELOPMENT ON TIDE, SUBMERGED AND OTHER LANDS UNDER JURISDICTION OF THE COMMISSION.