

MINUTE ITEM

This Calendar Item No. 1
was approved as Minute Item
No. 1 by the State Lands
Commission by a vote of 3
to 0 at its 12/30/81
meeting.

MINUTE ITEM 1

12/30/81

Faber

W 9668.8

W 9924

OIL AND GAS DRILLING, PRODUCTION,
AND POLLUTION CONTROL REGULATIONS,
TITLE 2, DIV. 3, ARTICLE 3.2, 3.3, AND 3.4

During consideration of Calendar Item 1 attached, Mr. Allan Moore, representing Chevron, U.S.A., appeared to express concern that regulations were being adopted at this meeting. Mr. William F. Northrop, Executive Officer, clarified for the record that regulations were not being adopted, but rather this item was to request authorization from the Commission to prepare a joint set of oil and gas regulations with the Division of Oil and Gas.

Bob Faber, Staff Counsel, indicated public hearings on the regulations were held in March 1981 by the State Lands Commission and on December 29, 1981 by the Division of Oil and Gas. It is staff's contention that the proposed joint regulations will be responsive to the comments received from the hearings.

Mr. Moore's concern was that all public entities should be able to see a rough draft of all regulations to be adopted.

Chairman Kenneth Cory reiterated these proposed regulations would only be incorporating suggestions from prior public hearings.

Mr. Moore indicated that he had not had the opportunity to review the regulations in question.

Mr. Faber stated that it was anticipated that the proposed regulations would be ready with the calendar item prior to the January 28, 1982 Commission meeting, with sufficient time for review.

Mr. Northrop stated it is hoped staff will have joint regulations available by January 15, 1982. Mr. Northrop then asked Mr. Moore to leave his address so that a copy could be mailed to him.

Commission-Alternate David Ackerman asked if adoption of these joint regulations could be postponed until February. Mr. Northrop indicated there would be a time problem if adoption was postponed.

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OIL AND GAS DRILLING, PRODUCTION,
AND POLLUTION CONTROL REGULATIONS
TITLE 2, DIV. 3, ARTICLE 3.2, 3.3, AND 3.4

BACKGROUND: Public hearings concerning the Commission's Oil and Gas Drilling, Production, and Pollution Control Regulations (Title 2, Div. 3, Article 3.2, 3.3, and 3.4), were held in the spring of 1981.

In order to develop uniform standards for offshore oil operations, the staff recommends that the State Lands Commission and the Division of Oil and Gas develop a single joint set of regulations which would be of benefit to the State and the private sector. It is recommended that an independent area in the Cal. Adm. Code be developed for the joint set of regulations. These suggestions are based on comments received by both DOG and Commission staff from the public and private sectors.

The Division of Oil and Gas conducted a public hearing on December 29, 1981, on its offshore regulations. The Commission staff participated in the hearing as a first step toward adopting a joint set of regulations. Technical comments designed to point out some of the areas of Commission concerns were submitted to the Division of Oil and Gas.

After a joint set of regulations has been drafted, they will be brought to the Commission for adoption at its regular January 1982 public meeting.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DIRECT THE STAFF TO DRAFT A JOINT SET OF REGULATIONS WITH THE DEPARTMENT OF CONSERVATION, DIVISION OF OIL AND GAS, FOR THE SAFE OPERATION OF OFFSHORE OIL AND GAS ACTIVITIES ON STATE-OWNED TIDE AND SUBMERGED LANDS. STAFF WILL RETURN WITH SUCH DRAFT FOR COMMISSION CONSIDERATION AT IT'S JANUARY 1982 MEETING.

Upon motion duly made and carried the following recommendation was approved by a vote of 3-0:

THE COMMISSION DIRECTS THE STAFF TO DRAFT A JOINT SET OF REGULATIONS WITH THE DEPARTMENT OF CONSERVATION, DIVISION OF OIL AND GAS, FOR THE SAFE OPERATION OF OFFSHORE OIL AND GAS ACTIVITIES ON STATE-OWNED TIDE AND SUBMERGED LANDS. STAFF WILL RETURN WITH SUCH DRAFT FOR COMMISSION CONSIDERATION AT ITS JANUARY 1982 MEETING.

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