MENUTE TIEM

7/21/83 W 40364 kr? 83-2 RFP 83-3 Fernino

REQUEST FOR AUTHORITY TO CONTRACT FOR EIR, BIOLOGICAL SURVEY, GEOLOGICAL AND GEOPHYSICAL SURVEY FOR OFFSHORE AREA FROM POINT ARGUELLO NORTH TO SANTA BARBARA/SAN LUIS OBISPO COUNTY LINE

Calendar Item 41, attached, was pulled from the agenda prior to the meeting.

Attachment: Calendar Item 41.

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CALENDAR ITEM

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7/21/83 W 40364 RFP 83-2 KFP 83-3 Fernino

REQUEST FOR ACTHORITY TO CONTRACT FOR EIR, BIOLOGICAL SURVEY, GEOLOGICAL AND GEOPHYSICAL SURVEY FOR OFFSKORF AREA FROM PT. ARGUELLO NORTH TO SANTA BARBARA/SAN LUIS OBISPO COUNTY LINE

Public Resources Code Section 5871.3 provides that "Whenever it appears to the Commission that it is for the best interest of the State to lease lands subject to the provisions of Sections 6871.1 or 6877 of this code for the production of oil and gas therefrom ..., the Commission may, subject to provisions of Section 6871.4 offer the same for bidding at such times and such parcels as the Commission shall determine to be in the best interests of the State."

Based on the State's current fiscal condition and the increasing drilling activities on adjacent federal off-shore lease, staff has determined to further expand revenue generating potential of the tidelands and protect the State's interests, it is necessary to continue its efforts to lease previously unleased parcels.

The Legislature has provided 1.185 million dollars in fiscal year '83-84 to prepare the documentation needed by the Commission to assess the lease potential of approximately 70,000 acres of tide and submerged lands from Pt. Arguello north to Santa Barbara/San Luis Obispo County Line (see Exhibit "A").

35

18

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CALENDAR ITEM NO. 41 (CONTD)

It cannot be determined whether it is in the best interest of the State to lease these lands until an Environmental Impact Report and biological survey has been completed. These studies will ensure that all environmental considerations be identified and any significant biological resources be considered prior to any final decision whether to lease in this area. Also, geological and geophysical exploration surveys will be needed to evaluate potential geological hazards to exploration and development and to identify any cultural resources which should be preserved. The information gathered from these surveys will also be used to complete staff assessment of the oil and gas potential of the area and recommend procedures for leasing such lands (e.g., lease size and shape, biddable factors, rentals, drilling term, etc.) should the Commission decide that offering this area for lease is in the State's best interest.

AB 884:

N/A.

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. AUTHORIZE THE EXECUTIVE OFFICER OR HER DESIGNEE TO ISSUE REQUESTS FOR PROPOSALS AND AWARD CONTRACTS TO THE LOWEST QUALIFIED BIDDER FOR THE SERVICES REQUIRED.
- 2. DIRECT THE EXECUTIVE OFFICER TO PERIODICALLY REPORT BACK TO THE COMMISSION ON THE STATUS OF THESE STUDIES AND THE PROPOSED LEASING PROGRAM IN THE AREA.

178

