

MINUTE ITEM

This Calendar Item No. 35
was approved as Minute Item
35 by the State Lands
Commission by a vote of 3
to 0 at its 10/26/83
meeting.

CALENDAR ITEM

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10/26/83
W 40391
Gonzalez

EXEMPTION OF PROPOSED OIL AND GAS LEASES,
SAN LUIS OBISPO COUNTY, FROM COMPETITIVE
PUBLIC BIDDING REQUIREMENTS

APPLICANT: County of San Luis Obispo
Department of General Services
County Government Center
San Luis Obispo, California 93408

AREA, TYPE LAND AND LOCATION:
Two separate parcels of county owned lands
underlying C. W. Clark Park and Shandon
Community Building totalling 11.8 acres
(11.478 acres and 0.322 acres, respectively)
in the Town of Shandon, San Luis Obispo
County.

SUMMARY:
The San Luis Obispo County Department of
General Services proposes to enter into
two subsurface oil and gas leases (one
lease for each of the above parcels) with
Sohio Petroleum Company and has petitioned
the State Lands Commission for exemption
from the competitive public bidding procedures
outlined in P.R.C. Sections 7052 and 7053.
All development will be by slant drilling
from surface locations outside the outer
boundaries of the above parcels as there
are no drilling sites available within
the county parcels.

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CALENDAR ITEM NO. 35 (CONTD)

STATUTORY REFERENCES:

- A. P.R.C.: Div. 6, Part 2, Chapter 5
(Sections 7051 et seq.).
- B. Cal. Adm. Code: Title 14, Sections 15378
and 15061(b)(1).

AB 884: N/A.

OTHER PERTINENT INFORMATION:

P.R.C. Section 7052 grants to the State Lands Commission discretionary authority to exempt particular leases from the competitive public bidding requirements of the P.R.C. "where by reason of the small size of the property or drainage, actual or imminent, such procedure would in the judgement of the State Lands Commission in the particular case be impractical".

Due to the unavailability of drill sites within the county parcels and the possibility of drainage of the county land, staff recommends that the Commission exempt the leases from the above competitive bidding procedural requirements.

Staff has determined that an environmental document has not been prepared as none is required under the provisions of P.R.C. 21065; i.e., since the Commission's action is not a project.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT THIS ACTION IS NOT A PROJECT UNDER THE PROVISIONS OF P.R.C. 21065, 14 CAL., ADM. CODE 15061(b)(1) AND 15378.
2. EXEMPT THE PROPOSED LEASE BETWEEN SOHIO PETROLEUM COMPANY AND SAN LUIS OBISPO COUNTY FROM COMPETITIVE PUBLIC BID REQUIREMENTS OF P.R.C. SECTIONS 7052 AND 7053.

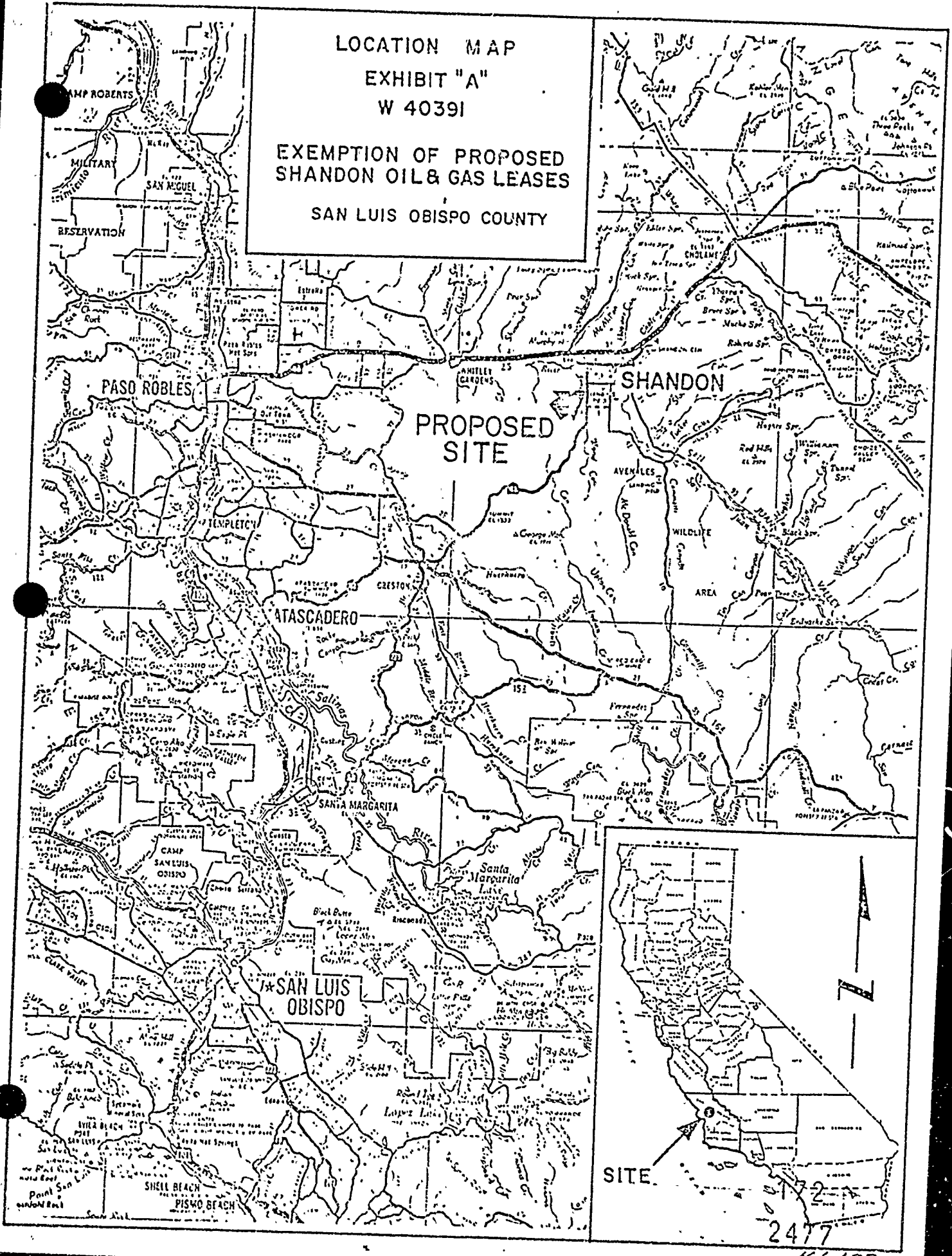
LOCATION MAP

EXHIBIT "A"

W 40391

EXEMPTION OF PROPOSED
SHANDON OIL & GAS LEASES

SAN LUIS OBISPO COUNTY



SITE

2477

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