

STATE OF CALIFORNIA

Minutes of the meeting of January 23, 1984  
of the State Lands Commission  
Sacramento, California

APPEARANCES

Commissioners Present

Lec F. McCarthy, Lieutenant Governor, Acting  
Chairman  
Lizabeth Rasmussen, Commission-Alternate for  
Kenneth Cory, State Controller  
Nancy Ordway, Commission-Alternate for Jesse Huff,  
Interim Director of Finance

Staff Members in Attendance

Claire T. Dedrick, Executive Officer  
R. C. Hight, Chief Counsel  
Lance Kiley, Chief, Division of Land Management  
and Conservation  
W. M. Thompson, Chief, Extractive Development  
Program  
D. J. Everitts, Assistant Chief, Extractive Development  
Program  
D. E. Sanders, Chief, Planning and Environmental  
Coordination  
A. D. Willard, Supervisor Mineral Resources Engineer

Representing the Office of the Attorney General

N. Gregory Taylor, Assistant Attorney General  
Jan Stevens, Deputy Attorney General  
Rob Collins, Deputy Attorney General

CALENDAR PAGE

MINUTE PAGE

01

MINUTES OF THE STATE LANDS COMMISSION  
MEETING OF

January 23, 1984

The regular meeting of the State Lands Commission was called to order by Acting Chairman Leo T. McCarthy, Lieutenant Governor, at 10:10 a.m. in Room 102 of the Department of Consumer Affairs Building, 1020 "N" Street, Sacramento, California.

Also present were Elizabeth Rasmussen, Commission-Alternate for Kenneth Cory, State Controller; and Nancy Ordway, Commission-Alternate for Jesse Huff, Interim Director of Finance.

The minutes of the meeting of December 22, 1983 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

Attached as Exhibit "A".

CALENDAR PAGE	_____
MINUTE PAGE	02

EXHIBIT "A"

EXECUTIVE OFFICER'S REPORT

By

1/23/84

Claire T. Dedrick

ISLAND ESTHER

PRC 3095

Chevron's Island Esther was destroyed during the severe storms of March 1983. Chevron has commenced the removal of the rock island remains and other debris down to a depth of 20 feet below MLLW. The work is being conducted from a temporary platform located on the east side of the island. Completion of the work is expected by the end of March, 1984.

On January 13, Chevron announced to the press that Chevron will then proceed with a \$46 million project to restore the facility, not as an island, but rather a conventional two-deck drilling and production platform. The development and production plan will be submitted in early February for our technical review and approval. Current plans call for resumption of production in mid-1986.

The lease was issued on January 30, 1964 for a primary term of 20 years and for so long thereafter as oil and gas is produced in paying quantities or the lessee is conducting lease and well work. The primary term will expire on January 29, 1984. On April 28, 1983, the Commission acknowledged the existence of a "force majeure"

CALENDAR PAGE	_____
MINUTE PAGE	03

Executive Officer's Report -2-

January 23, 1984

condition, which will permit the lease to continue in effect as long as Chevron proceeds with the restoration of the facility.

CALENDAR PAGE	_____
MINUTE PAGE	04

RECORD OF ACTION TAKEN BY THE  
STATE LANDS COMMISSION  
AT ITS MEETING OF JANUARY 23, 1984

During the meeting, the recommendations of the staff relative to Calendar Items C1, C2, C3, C4, C5, C6, C7, C8, C10, 14, 15, 16, 17, 18, 19, 20, 21, 22, 24, 25, and 26 were adopted as resolutions of the Commission by unanimous vote.

Calendar Item 23 was submitted for information.

Commission action on Calendar Item 18 is set forth on page  
104

Calendar Items C9, 11, 12, 13 were withdrawn from the agenda prior to the meeting.