

MINUTE ITEM

This Calendar Item No. 18
was approved as Minute Item
No. 15 by the State Lands
Commission by a vote of 2
to 0 at its 10/25/84
meeting.

CALENDAR ITEM

A 35
S 18

18

10/25/84
PRC 2879
Hamilton

DEFERMENT OF DRILLING OPERATIONS
STATE OIL AND GAS LEASE
PRC 2879

LESSEE/OPERATOR: Union Oil Company of California
Post Office Box 6176,
Ventura, California 93006.
Attn: J. S. Attebery
District Land Manager

AREA, TYPE LAND AND LOCATION:

State Oil and Gas Lease PRC 2879 contains
approximately 5,653 acres of tide and submerged
lands located south and offshore Pt. Conception
and Government Pt., at the western end of the
Santa Barbara Channel, Santa Barbara County,
California (see Exhibit "A").

LEASE SUMMARY:

State Oil and Gas Lease PRC 2879 was issued to
Union Oil Company of California (100%) on April
26, 1962, and contains a continuous drilling
provision of 120 days.

On May 29, 1980, the State Lands Commission
approved Union's application to resume drilling
operations on State Oil and Gas Lease PRC 2879.
On March 23, 1983, after diligently pursuing
approvals from other agencies, Union finally
commenced its exploratory drilling and drilled
well 18-6. Following this drilling and
subsequent abandonment on June 17, 1983, Union
requested and received a deferment of further
drilling to analyze the data obtained from well
18-6.

(CALENDAR ITEM 18 CONT'D)

In a letter dated March 9, 1984, Union stated that the data obtained from well 18-6 has been evaluated and a decision to proceed with the preparation of a plan of development of State Lease PRC 2879 has been made, but additional time was needed to prepare this plan. On May 7, 1984, the Commission granted Union a deferment of drilling until October 25, 1984, to submit a development plan.

Since May 1984, staff has met and has had several discussions with representatives from Union regarding the development plan of State Oil and Gas Lease PRC 2879. A complete application is forthcoming, but it now appears that it will not be received by the October 25, 1984 deadline. Therefore, staff is recommending that the Commission grant an additional deferment of the continuous drilling obligation through December 31, 1984.

AB 884: N/A.

ENVIRONMENTAL INFORMATION:

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. APPROVE A DEFERMENT OF THE DRILLING OBLIGATION OF STATE OIL AND GAS LEASE PRC 2879 THROUGH DECEMBER 31, 1984; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

EXHIBIT "A"
LOCATION MAP

STATE OIL & GAS LEASE

PRC 2879

UNION OIL COMPANY of CALIFORNIA
SANTA BARBARA COUNTY

September 1942

MGH

T. 5 N., R. 34 W.

T. 5 N., R. 33 W.

35 MILES TO
SANTA BARBARA

POINT
CONCEPTION

PRC
2879
UNION

PRC
2725
TEXACO

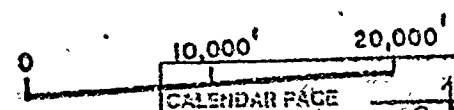
PRC
2726
ATLANTIC
et al

PRC
2206
TEXACO

4001

3499

SANTA BARBARA CHANNEL



CALENDAR PAGE	101
MINUTE PAGE	248