

MINUTE ITEM

This Calendar Item No. 16
was approved as Special Item
No. 16 by the State Lands
Commission by a vote of 7
to 0 at its 12/20/84
meeting.

CALENDAR ITEM

A 35

16

12/20/84
PRC 2879
W 40441
Gonzalez

S 18

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
land, located south and offshore Pt. Conception
and Government Pt., at the western end of the
Santa Barbara Channel, Santa Barbara County.
(see Exhibit "A").

LEASE SUMMARY:

State Oil and Gas Lease PRC 2879 was issued to
Union Oil Company of California (100 percent)
on April 26, 1962, and contains a continuous
drilling provision of not more than 120 days
between wells.

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 obtaining
approvals from other agencies, Union commenced
its exploratory drilling and drilled
exploratory well 18-6. Following the drilling
and subsequent abandonment on June 17, 1983,
Union requested and received a deferment of
further drilling obligation to analyze the data
obtained from well 18-6.

CALENDAR ITEM NO. 16 (CONT'D)

In a letter dated March 9, 1984, Union stated that the data obtained from well 18-6 had been evaluated and a decision to proceed with the preparation of a plan of development for the Cojo offshore field State Lease PRC 2879; however additional time was needed to prepare the plan. On May 7, 1984, the Commission granted Union a deferment of further drilling through October 25, 1984, to submit a development plan.

On October 24, 1984, Union submitted a Development Plan to the staff. Pending staff review of the plan, the Commission, on October 25, 1984 granted a deferment of the drilling obligation of the subject lease through December 31, 1984. After preliminary review of the plan and discussion with Union the application has been withdrawn to revise and amplify the scope of the project. A new application will be submitted within approximately three months. Inasmuch as the lessee is diligently pursuing development of the lease staff recommends that the Commission grant an additional deferment of the continuous drilling obligation through March 31, 1985.

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 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.

(NON-SUBSTANTIVE REVISION 03/28/85)

CALENDAR ITEM NO. 16 (CONT'D)

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 2877 UNTIL MARCH 31, 1985; 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

T. 5 N., R. 34 W.

T. 5 N., R. 33 W.

35 MILES TO
SANTA BARBARA

POINT
CONCEPTION

PRC
2879
UNION

3499

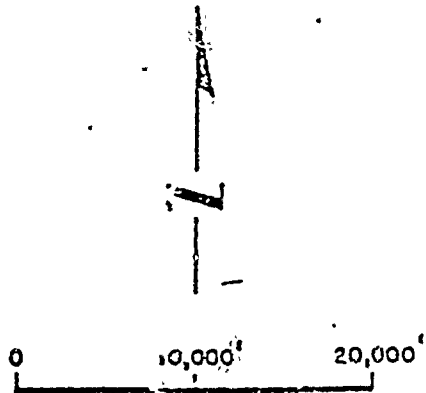
PRC
2725
TEXACO

PRC
2726
ATLANTIC
et al

PRC
2206
TEXACO

4001

SANTA BARBARA CHANNEL



UNION OIL COMPANY OF CALIFORNIA
SANTA BARBARA COUNTY