

MINUTE ITEM

This Calendar Item No. C7  
was approved as Minute Item  
No. 7 by the State Lands  
Commission by a vote of 2  
to 0 at its 7/6/86  
meeting.

CALENDAR ITEM

C07

02/27/86  
WP 3116  
Lipphardt

A 58  
S 37

AMENDMENT TO GENERAL LEASE -  
INDUSTRIAL USE

CO-APPLICANTS: Union Oil Company of California  
Southern District  
P. O. Box 6176  
Ventura, California 93006  
and  
Chevron U.S.A., Inc.  
2120 Diamond Boulevard  
Concord, California 94520

AREA, TYPE LAND AND LOCATION:

Three strips of tide and submerged land  
totalling 16.552 acres in the Pacific Ocean  
near Huntington Beach, Orange County.

LAND USE:

Operation and maintenance of submarine  
pipelines for transportation of oil and gas  
production, a water line and a power cable.

TERMS OF ORIGINAL LEASE:

Initial period: 26 years beginning March 26,  
1983.

Surety bond: \$50,000.

Public liability insurance: Combined single  
limit coverage of \$1,000,000.

Consideration: The annual rental for the  
pipelines is computed by  
multiplying each thousand  
standard cubic feet of gas  
and each barrel of oil and  
condensate passing over the  
State's land by \$0.01 with a

(REVISED 02/24/86)

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minimum annual rental of \$6,775.44; annual rental for the water line and power cable is \$1,361.04; five-year rent review.

TERMS OF PROPOSED AMENDMENT:

Special:

This Amendment modifies the Lease description to reflect the installation of a replacement pipeline and deletes the volumetric rent base language from the lease.

CONSIDERATION: \$10,858 per annum; five-year rent review.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:

Applicant is Permittee of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. On March 7, 1984, Lessee notified staff of the State Lands Commission that a replacement line was needed for one of its authorized 8" production lines due to leaks caused by internal corrosion. The production lines serve Lessee's Platform Eva under State's Oil and Gas Leases PRC 3033 and 3413. The proposed activity was approved by the Coastal Commission on April 11, 1984. Technical details of construction were coordinated with State Lands Commission's engineering staff and installation of the new line was completed May 22, 1984. Due to technical and environmental concerns, removal of the old line is to be deferred until such time as all the lines would normally be removed.

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(e.g., upon Lease termination). Lessee submitted "as built" plans and in some areas, the new 17,000+-foot line was installed outside the existing right-of-way. Lessee is now amending the Lease description to reflect the new pipeline use area and has requested that the volumetric rent lease language be removed from the lease. The old line is still included within the new lease description.

2. 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 as a categorical exempt project. The project is exempt under Class 1, Existing Facilities 2 Cal. Adm. Code 2905(a)(2).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300, and 2 Cal. Adm. Code 2905.

3. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. but will not affect those significant lands.

APPROVALS OBTAINED:

Coastal Commission and Department of Parks and Recreation.

FURTHER APPROVALS REQUIRED:

None.

EXHIBITS:

- A. Land Description.
- B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES, 2 CAL. ADM. CODE 2905(a)(2).

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2. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.
  
3. AUTHORIZE ISSUANCE TO UNION OIL COMPANY AND CHEVRON U.S.A., INC. OF AN AMENDMENT SUBSTANTIALLY IN THE FORM ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION WHICH MODIFIES THE LEASE AREA TO REFLECT THE INSTALLATION OF A REPLACEMENT PRODUCTION PIPELINE AND DELETES THE VOLUMETRIC RENT BASE LANGUAGE FROM THE LEASE; IN CONSIDERATION OF ANNUAL RENT OF \$10,858; ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE APART HEREOF. ALL REMAINING TERMS AND CONDITIONS OF LEASE PRC 3116 REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. THE EFFECTIVE DATE OF THIS AMENDMENT IS MARCH 26, 1984.

## EXHIBIT "A"

## LAND DESCRIPTION

PRC 3116

Three strips of tide and submerged land 20 feet wide, in San Pedro Bay near Huntington Beach, Orange County, California, the centerlines of said strips being described as follows:

STRIP 1

BEGINNING at Union Oil Company's platform "Eva", said platform being located within State Oil and Gas Lease PRC 3033 and having California Zone 6 coordinates of  $X = 1,448,916$  and  $Y = 548,783$ ; thence across State Oil and Gas Leases PRC 3033, PRC 426, PRC 3177; and PRC 3119,  $N 1^{\circ} 24' 13'' W$ , 16,697 feet to a point having coordinates of  $X = 1,448,507$  and  $Y = 565,475$ ; thence northwesterly 1,440 feet, more or less, through a spiral curve concave easterly and through a point having coordinates of  $X = 1,448,149$  and  $Y = 566,033$  to an intersection with a line that bears  $S 53^{\circ} 30' W$ , from a point on the centerline of Warner Avenue, Orange County; thence  $N 53^{\circ} 30' E$ , 218 feet along said line to a point that bears  $N 60^{\circ} 03' 01'' W$ , 201.57 feet from a CSLC brass cap monument in concrete designated "Los Patos 2, 1950", said monument having coordinates of  $X = 1,448,614.15$  and  $Y = 566,794.72$ .

EXCEPTING THEREFROM in the southerly portion of said 20 foot strip any submerged land within State Oil and Gas Lease PRC 3033.

ALSO EXCEPTING THEREFROM any portion landward of the ordinary high water mark of San Pedro Bay in the northerly portion of said 20 foot strip.

STRIP 2

BEGINNING at a point in San Pedro Bay having California Zone 6 coordinates of  $X = 1,448,524$  and  $Y = 564,775$ ; thence northwesterly 2,070 feet, more or less, through a spiral curve concave easterly and through a point with coordinates of  $X = 1,447,912$  and  $Y = 566.182$  to an intersection with a line that bears  $S 53^{\circ} 30' W$ , from a point on the centerline of Warner Avenue, Orange County; thence northeasterly along said line 165 feet, more or less, to a point of merger with Strip Number 1 described above.

STRIP 3

BEGINNING at a point near the above described platform "Eva", said point having California Zone 6 coordinates of  $X = 1,448,981$  and  $Y = 549,180$ ; thence  $N 02^{\circ} 01' 50'' W$ , 3697.32 feet; thence  $N 01^{\circ} 34' 57'' W$ , 3838.46 feet, thence  $N 0^{\circ} 57' 30'' W$ , 4364.61 feet; thence  $N 0^{\circ} 24' 24'' W$ , 2958.07 feet to a point having coordinates of  $X = 1,448,650$  and  $Y = 564,034$ ; thence northerly, 3000 feet, more or less, along an irregular curve, through points having coordinates of (1)  $X = 1,448,590$  and  $Y = 564,428$ ; (2)  $X = 1,448,421$  and  $Y = 564,753$ ; (3)  $X = 1,448,062$  and  $Y = 565,381$ ; (4)  $X = 1,447,898$  and  $Y = 565,920$ ; to the point of merger of Strips 1 and 2 above.

EXCEPTING THEREFROM any portion within State Oil and Gas Lease PRC 3033.

ALSO EXCEPTING THEREFROM any portion lying within above described Strips 1 and 2.

The above description is based on the California Coordinate System, Zone 6.

END OF DESCRIPTION

REVISED JULY 18, 1985, BY BOUNDARY SERVICES UNIT, M. L. SHAFER, SUPERVISOR.

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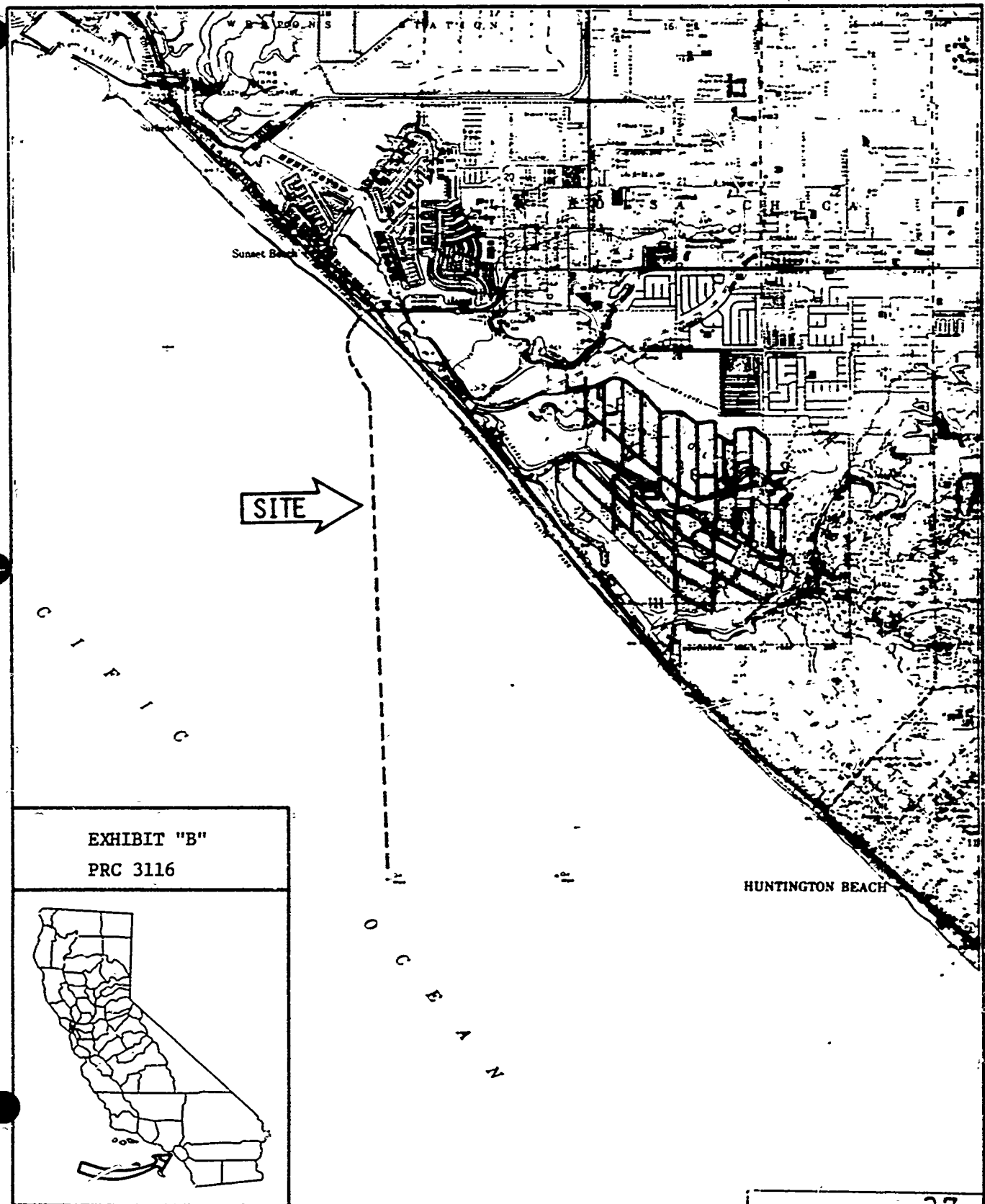


EXHIBIT "B"  
 PRC 3116

