

MINUTE ITEM
This Calendar Item No. C30
was approved as Minute Item
No. 30 by the State Lands
Commission by a vote of 2
0 0 at its 12/13/88
meeting

A 58, 69

S 37

CALENDAR ITEM

C 30

12/13/88
PRC 91
Tanner

ASSIGNMENT OF PARTIAL INTEREST
IN STATE OIL AND GAS LEASE PRC 91,
HUNTINGTON BEACH FIELD, ORANGE COUNTY

ASSIGNOR: TOGA Petroleum Corporation
Attn: John McKenty
Senior Landman
One Allen Center, Suite 2950
Houston, Texas 77002

ASSIGNEE: Shell Western E&P, Inc.
Attn: Allen Kennedy
P. O. Box 11164
Bakersfield, California 93389

BACKGROUND:

Oil and Gas Lease PRC 91 was issued on May 21, 1943 for a period of 20 years. On November 12, 1957, the lease term was extended in accordance with the provisions of Section 6827 of the P.R.C.

On March 30, 1972, the 91 Main Zone Unit Agreement and the Unit Operating Agreement were approved by the State Lands Commission. State Oil and Gas Lease PRC 91 was then subject to the 91 Main Zone Unit Agreement and Unit Operating Agreement. Signal Oil and Gas Company, the original lessee, assigned with the approval of the Commission, a partial interest in this lease, to the Howard Corporation on May 24, 1972. On May 26, 1977, by a conveyance and assignment filed with the County Recorder's

CALENDAR ITEM NO. C 30 (CONT'D)

Office, the Howard Corporation assigned its partial interest to AA Development Corporation which through a series of mergers and name changes became TOGA Petroleum Corporation. The State Lands Commission never formally approved this assignment of interest. Now TOGA Petroleum Corporation requests Commission approval for the assignment of its interest in this lease to Shell Western E&P, Inc., the present lessee and operator.

PREREQUISITE ITEMS:

1. Assignment forms executed by Assignor and Assignee.
2. Assignee qualified to hold State lease.
3. Statutory filing fee totalling \$325.
4. Bond on file by Assignee.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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: PRC 21065 and 14 Cal. Code Regs. 15378.

STATUTORY AND OTHER REFERENCES:

1. Section 4 of the lease.
2. P.R.C.: Section 6804.

AB 884: N/A.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.

CALENDAR ITEM NO. C 30 (CONT'D)

2. APPROVE THE PREVIOUS ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE PRC 91, HUNTINGTON BEACH FIELD, ORANGE COUNTY, FROM HOWARD CORPORATION TO AA DEVELOPMENT CORPORATION.
3. CONSENT TO THE ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE PRC 91, HUNTINGTON BEACH FIELD, ORANGE, COUNTY FROM TOGA PETROLEUM CORPORATION, SUCCESSOR IN INTEREST TO AA DEVELOPMENT CORPORATION, TO SHELL WESTERN E&P, INC.