

MINUTE ITEM
This Calendar Item No. 54
was approved as Minute Item
No. 54 by the State Lands
Commission by a vote of 2
to 0 at its 12/13/88
meeting.

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S 18

CALENDAR ITEM

- 54

12/13/88
PRC 4001
PRC 4002
Gonzalez
Willard

DEFERMENT OF DRILLING OBLIGATION
STATE OIL AND GAS LEASES
PRC 4001 AND PRC 4002

APPLICANT: Chevron U.S.A., Inc.
P.O. Box 5050
San Ramon, California 94583-0905

AREA, TYPE LAND AND LOCATION:
State Oil and Gas Lease PRC 4001 contains
approximately 780 acres of submerged lands
located immediately south of State Oil and Gas
Lease PRC 2206, the site of former Platform
Helen from which the Cuarta Offshore Field was
developed. See Exhibit "A", location map.

State Oil and Gas Lease PRC 4002 contains
approximately 600 acres of submerged lands
located immediately south of State Oil and Gas
Lease PRC 2199, in the Gaviota area, Santa
Barbara County.

LEASE INFORMATION:

These leases were issued on August 28, 1968 to
Standard Oil Company of California, now
Chevron, for a cash bonus bid of \$53,600 for
lease PRC 4001 and a cash bonus bid of \$61,200
for PRC 4002. In early 1986, Chevron conducted
an extensive 3-D geophysical survey covering
the subject leases as well as adjoining Federal
and State lands. As a result of preliminary
interpretation of the geophysical data, a
prospect has been identified on PRC 4002 and
several adjoining Federal and State leases.

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(ADDED 12/12/88 - pgs. 307-307.2)

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CALENDAR ITEM NO. 54 (CONT'D)

Chevron is continuing its review and evaluation of the 3-D survey data and has requested a one-year extension of time to evaluate the prospect for exploration drilling.

AB 884: N/A.

ENVIRONMENTAL 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 CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21056 and 14 Cal. Code Regs. 15378.

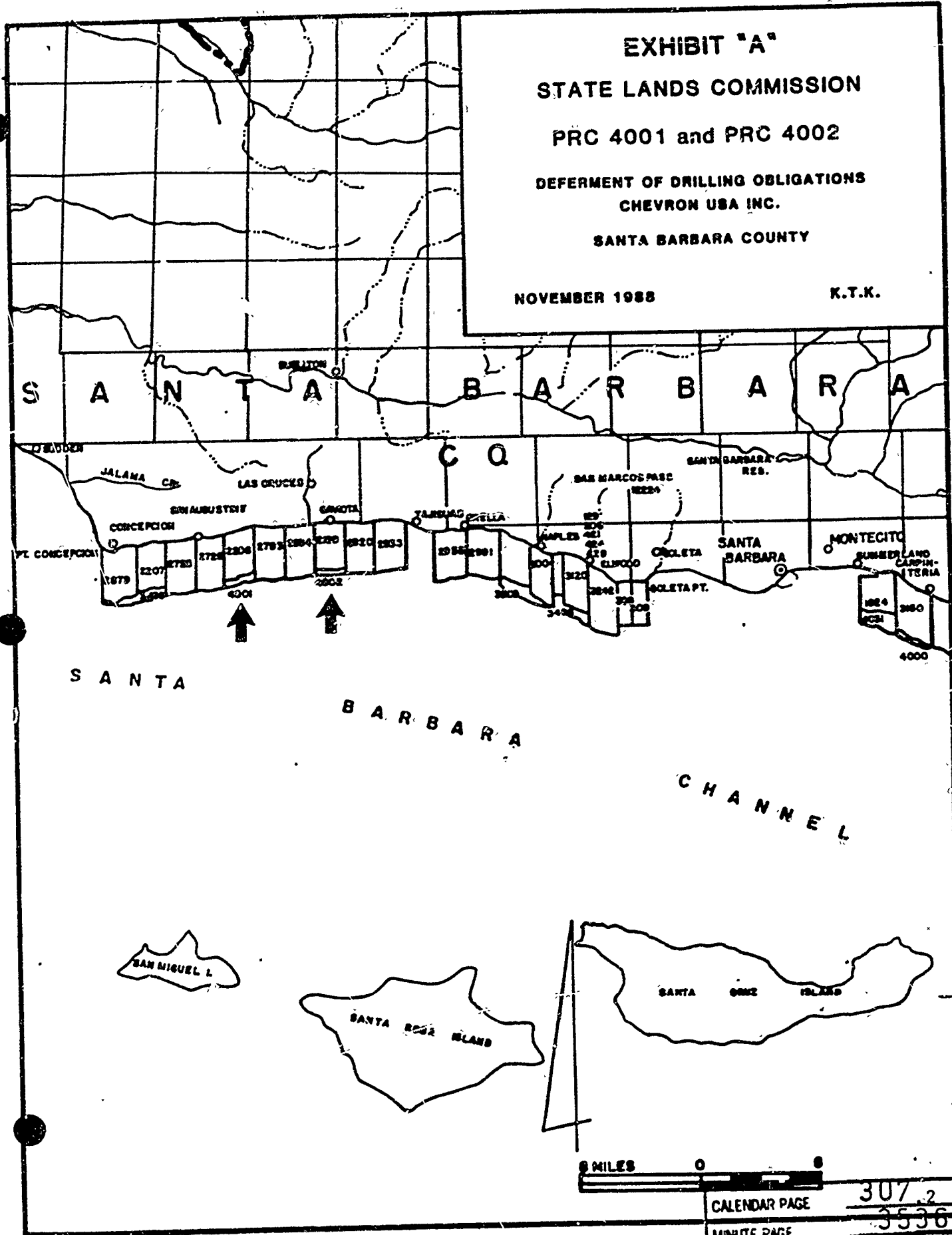
EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. APPROVE A DEFERMENT OF THE DRILLING OBLIGATIONS UNDER STATE OIL AND GAS LEASES PRC 4001 and PRC 4002 THROUGH DECEMBER 31, 1989.

EXHIBIT "A"
STATE LANDS COMMISSION
PRC 4001 and PRC 4002
DEFERMENT OF DRILLING OBLIGATIONS
CHEVRON USA INC.
SANTA BARBARA COUNTY

NOVEMBER 1988 K.T.K.



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