

MINUTE ITEM

This Calendar Item No. 30
was approved as Minute Item
No. 30 by the State Lands
Commission by a vote of 2
to 0 at its 12/12/89
meeting.

CALENDAR ITEM

A 35

30

12/12/89

S 18

W 9603.75
Tanner

DISPOSITION OF THE ROYALTY OIL, PRC 145, PRC 410,
PRC 427, PRC 429 AND PRC 1466, RINCON OIL FIELD,
VENTURA COUNTY

BACKGROUND

At its meeting on September 27, 1989, the State Lands Commission authorized the sale of royalty crude oil from several State oil and gas leases in Ventura and Orange counties, including State oil and gas leases PRC 145, PRC 410, PRC 427, PRC 429 and PRC 1466, Rincon Oil Field, Ventura County. Presently, the State is being paid in money by the lessees for its royalty share of the crude oil from these leases.

The State's share of production from these leases is approximately 2,850 barrels per month of between 25.40 and 27.20 API gravity crude oil. Royalty oil from these leases may be taken in kind or returned to the lessees on 60 days notice.

A Notice Inviting Bids for the new royalty oil sales contract was published in the Ventura County Star Free Press on November 1, 1989. A bid opening was scheduled for November 17, 1989. No bids were received.

STAFF RECOMMENDATIONS

Staff recommends authorization to re-offer this oil periodically until bids are received.

AB 884: N/A.

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CALENDAR ITEM NO. 30 (CONT'D)

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 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. 21056 and 14 Cal.
Code 15378.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21056 AND 14 CAL. CODE REGS. 15378.
2. AUTHORIZE STAFF TO RE-OFFER FOR SALE ROYALTY OIL UNDER STATE OIL AND GAS LEASES PRC 145, PRC 410, PRC 427, PRC 429 and PRC 1466, RINCON OIL FIELD, VENTURA COUNTY PERIODICALLY UNTIL BIDS ARE RECEIVED.