

MINUTE ITEM

This Calendar Item No. C98 was approved as Minute Item No. 98 by the California State Lands Commission by a vote of 3 to 0 at its 12/16/98 meeting.

**CALENDAR ITEM
C98**

A 11
S 7

PRC 4908 12/16/98
* WP 4908.1
N. Smith

ASSIGNMENT OF LEASE

LESSEE/ASSIGNOR:

Shell Martinez Refining Company
P.O. Box 711
Martinez, California 94553-0071

ASSIGNEE:

Martinez Refining Company, a Division of Equilon Enterprises LLC
P.O. Box 711
Martinez, California 943553-0071

AREA, LAND TYPE, AND LOCATION:

19.265 acres, more or less, of sovereign lands in Carquinez Strait, city of Martinez, Contra Costa County.

AUTHORIZED USE:

A marine terminal wharf and associated pipelines used for loading and unloading crude oil and petroleum products.

LEASE TERM:

15 years, beginning August 1, 1974, with three successive renewal periods of ten years each.

CONSIDERATION:

\$85,212 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining the lease premises.
2. On January 15, 1998, Shell Oil Company and Texaco Inc. signed a definitive agreement to combine the major elements of their western and central U.S. refining and marketing assets, as well as their nationwide

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trading, transportation and lubricants businesses. The name of the new company is Equilon Enterprises, LLC.

3. The ownership and operational control of the wharf facilities will transfer from the Shell Martinez Refining Company to the Martinez Refining Company, a Division of Equilon Enterprises LLC.
4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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 the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

- A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

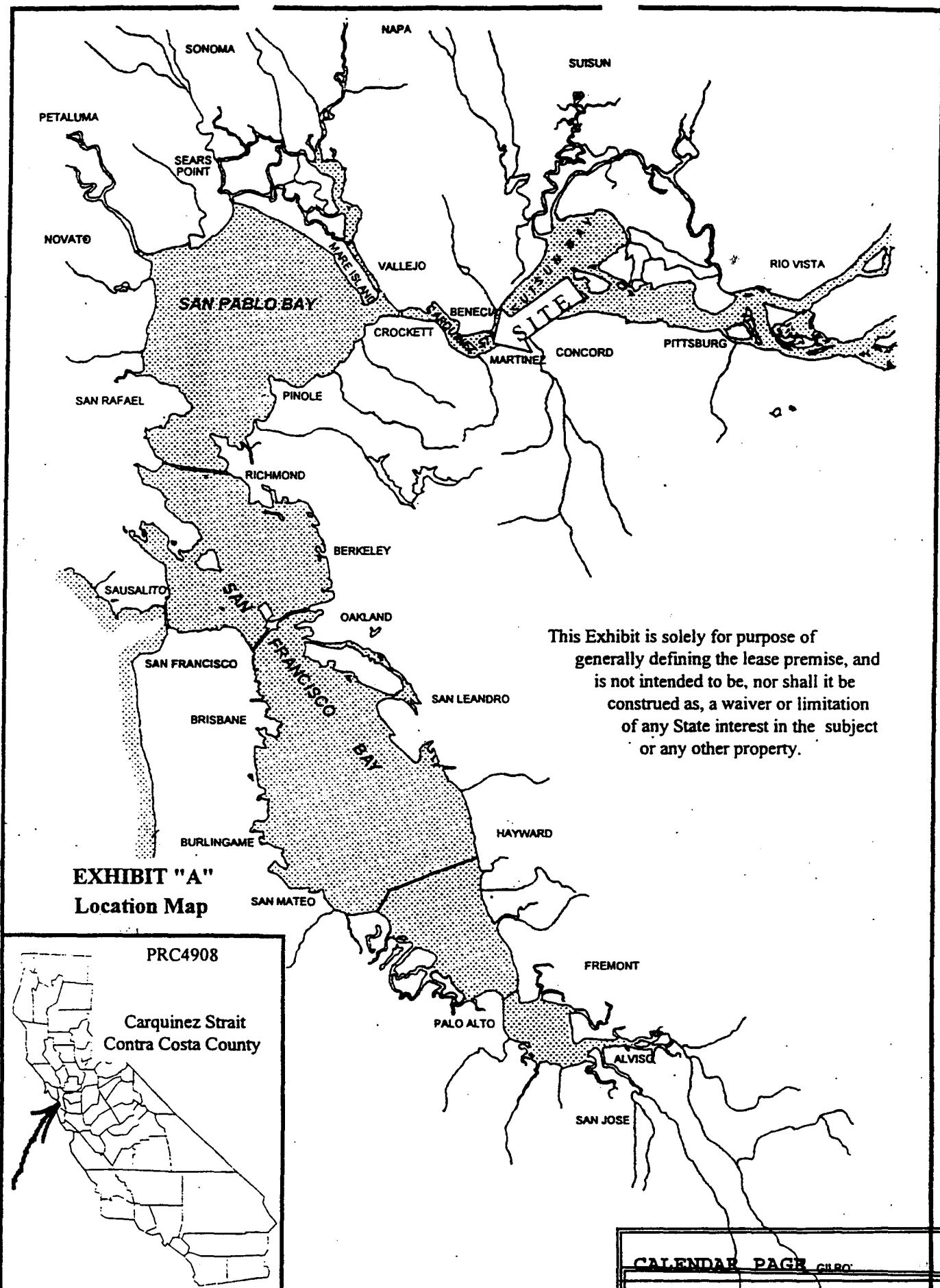
AUTHORIZATION:

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 4908.1, A GENERAL LEASE - INDUSTRIAL USE, OF SOVEREIGN LANDS DESCRIBED ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; FROM SHELL MARTINEZ REFINING

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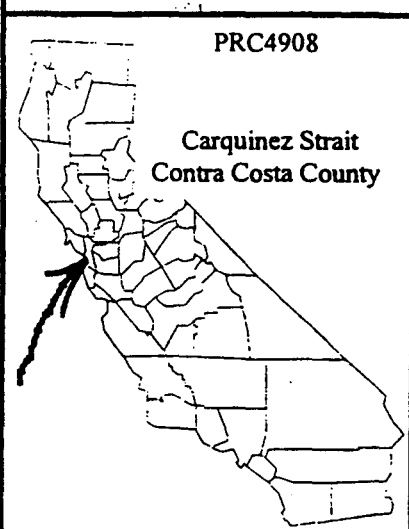
COMPANY TO MARTINEZ REFINING COMPANY, A DIVISION OF
EQUILON ENTERPRISES LLC, EFFECTIVE JULY 1, 1998.

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This Exhibit is solely for purpose of generally defining the lease premise, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

EXHIBIT "A"
Location Map



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