

**CALENDAR ITEM
C37**

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12/05/12
PRC 2869.1
G. Kato

ASSIGNMENT AND AMENDMENT OF LEASE

LESSEE/ASSIGNOR:

ConocoPhillips Company
A Division of Tosco Corporation
Avon Refinery
Martinez, CA 94553

ASSIGNEE:

Phillips 66 Company
P.O. Box 4428
Houston, TX 77210

AREA, LAND TYPE, AND LOCATION:

1.16-acre parcel of tide and submerged land located in Carquinez Strait, Pt. Carquinez near Port Costa, Contra Costa County.

AUTHORIZED USE:

Existing non-operational marine terminal wharf.

LEASE TERM:

20 years, beginning December 1, 1994

CONSIDERATION:

\$3,770 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

PROPOSED AMENDMENT

Amend Lease No. PRC 2869.1 to revise the lease area to include a mooring associated with the wharf.

OTHER PERTINENT INFORMATION:

1. On November 15, 1994, the Commission authorized a General Lease Right-of-Way Use to Tosco Refining Company for a term of 20 years. On

CALENDAR ITEM NO. **C37** (CONT'D)

December 16, 2002, Tosco Refining Company and Tosco Corporation changed their name to ConocoPhillips Company.

On July 14, 2011, the Board of Directors of ConocoPhillips Company (COP) announced that it would pursue the separation of COP's Refining & Marketing business and COP's Exploration & Production business into two separate stand-alone companies via a tax free spin off of the Refining & Marketing business. The newly formed and names Phillips 66 Company will be a global refining and marketing company headquartered in Houston, Texas.

2. **Mooring Associated with Wharf:** The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

3. **Assignment:** The staff recommends that the Commission find that the subject assignment does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the CEQA.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

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

CALENDAR ITEM NO. **C37** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Mooring Associated with Wharf: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Assignment: Find that the subject assignment is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize the Amendment of Lease No. PRC 2869.1 to revise the lease area to include a mooring associated with the wharf.

Authorize the Assignment of Lease No. PRC 2869.1 from ConocoPhillips Company to Phillips 66 Company; effective December 5, 2012.

EXHIBIT A

PRC 2869.1

LAND DESCRIPTION

A parcel of tide and submerged land in the bed of the Carquinez Strait, Contra Costa County, State of California, described as follows:

COMMENCING at the intersection of those certain two courses of the "Line of Low Tide" identified as South 28°30' East 2450 feet and South 15°33'30" East 410.35 feet as shown on Sheet 4 of that certain map entitled "Map of Re-Survey of Tideland Survey No. 32, Contra Costa County, Cal. Made under the Provisions of Chapter 490 Statutes of 1915 to correct errors in original survey.", and approved April 18, 1927 by W.S. Kingsbury, Surveyor General, State of California. Said map on file at the Sacramento Office of the California State Lands Commission; thence from said point of commencement, along said "Line of Low Tide", North 28°30'00" West 215.17 feet to the POINT OF BEGINNING; thence from said point of beginning, leaving said "Line of Low Tide", North 58°45'00" East 88.67 feet; thence South 32°45'00" East 240.08 feet; thence South 58°45'00" West 160.00 feet; thence North 32°45'00" West 240.08 feet; thence North 58°45'00" East 71.33 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the Carquinez Strait.

END OF DESCRIPTION

Prepared 11/07/2012 by the California State Lands Commission Boundary Unit.



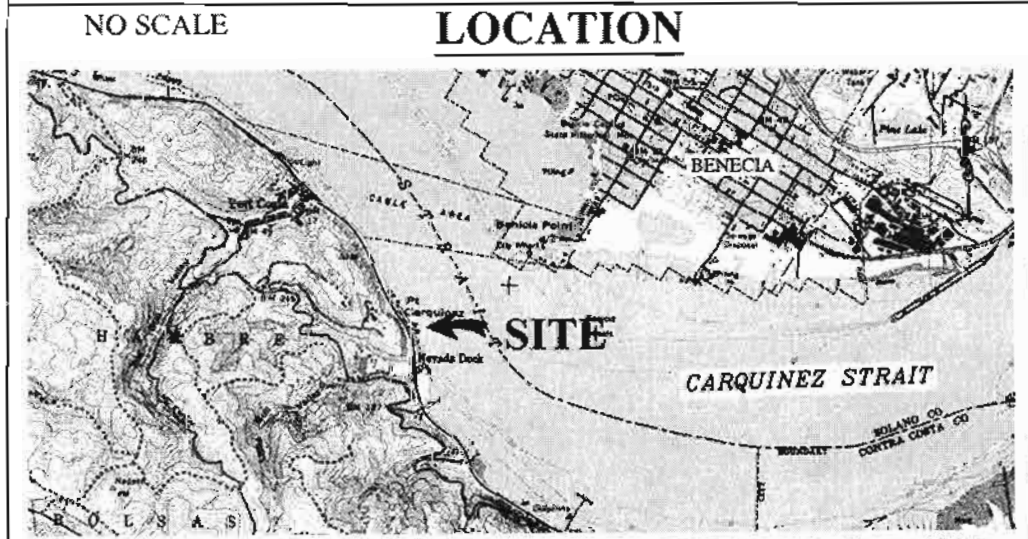
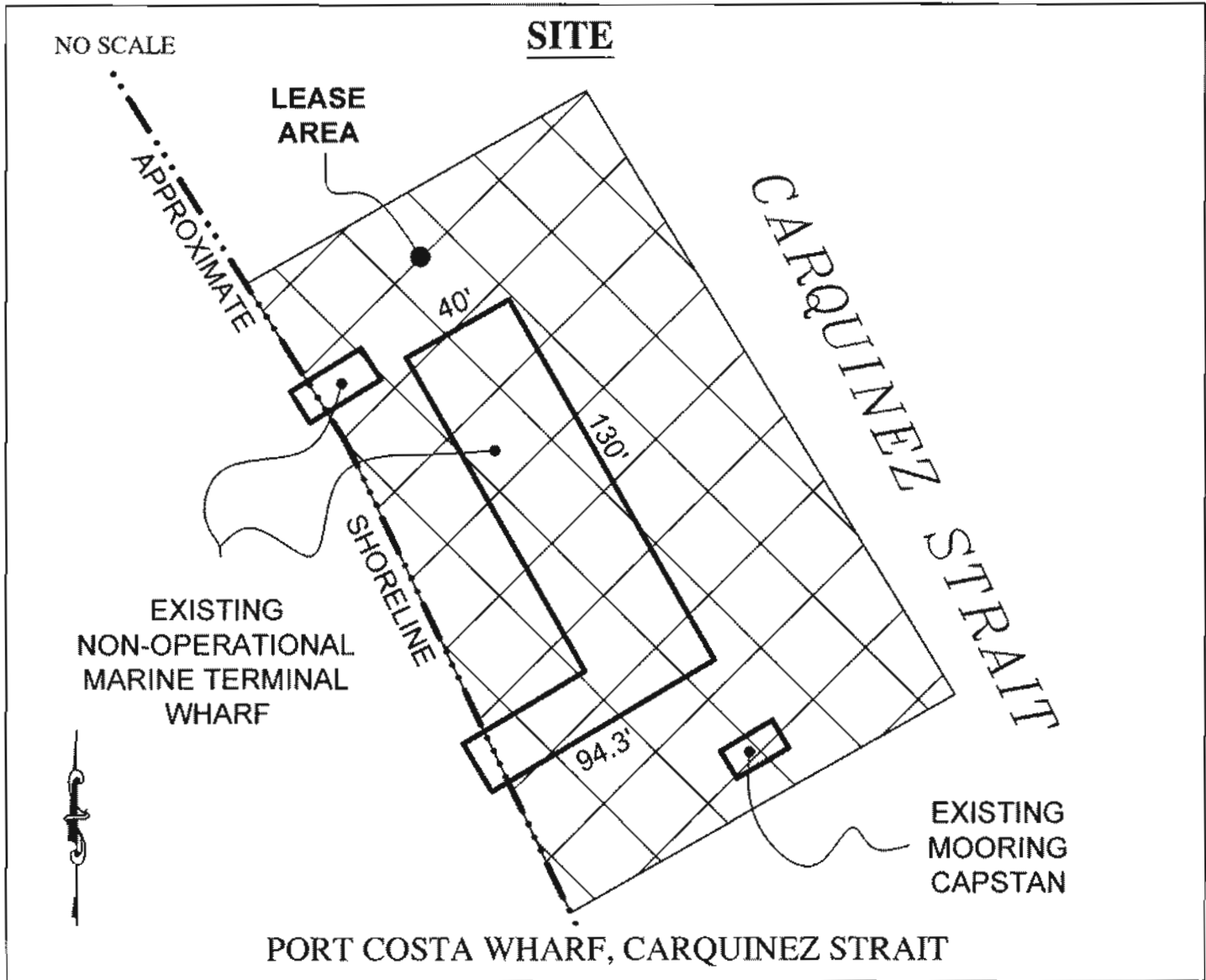


Exhibit B

PRC 2869.1
 PHILLIPS 66 COMPANY
 GENERAL LEASE -
 INDUSTRIAL USE
 CONTRA COSTA COUNTY



JWP 11/07/12

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.