

**STAFF REPORT
C36**

A 13
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11/29/17
PRC 8734.1
D. Simpkin

REVISION OF RENT

LESSEE:

Vintage Production California LLC

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the San Joaquin River, near Lathrop, San Joaquin County

AUTHORIZED USE:

Use and maintenance of an existing 8-inch-diameter natural gas pipeline.

LEASE TERM:

25 years, beginning December 14, 2006.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$100 per year to \$450 per year, effective December 14, 2017.

OTHER PERTINENT INFORMATION:

1. On December 14, 2006, the Commission authorized a General Lease – Right-of-Way Use to Vintage Production California LLC, for an existing 8-inch-diameter natural gas pipeline ([Item C29, December 14, 2006](#)). That lease expires on December 13, 2031.
2. The lease requires internal or pressure test inspections, and cathodic protection inspections. Staff requested copies of recent test results and the Lessee is in the process of providing the test results. Upon receipt and review of the test results, staff will take all necessary actions to ensure compliance with applicable lease provisions.
3. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.

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4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

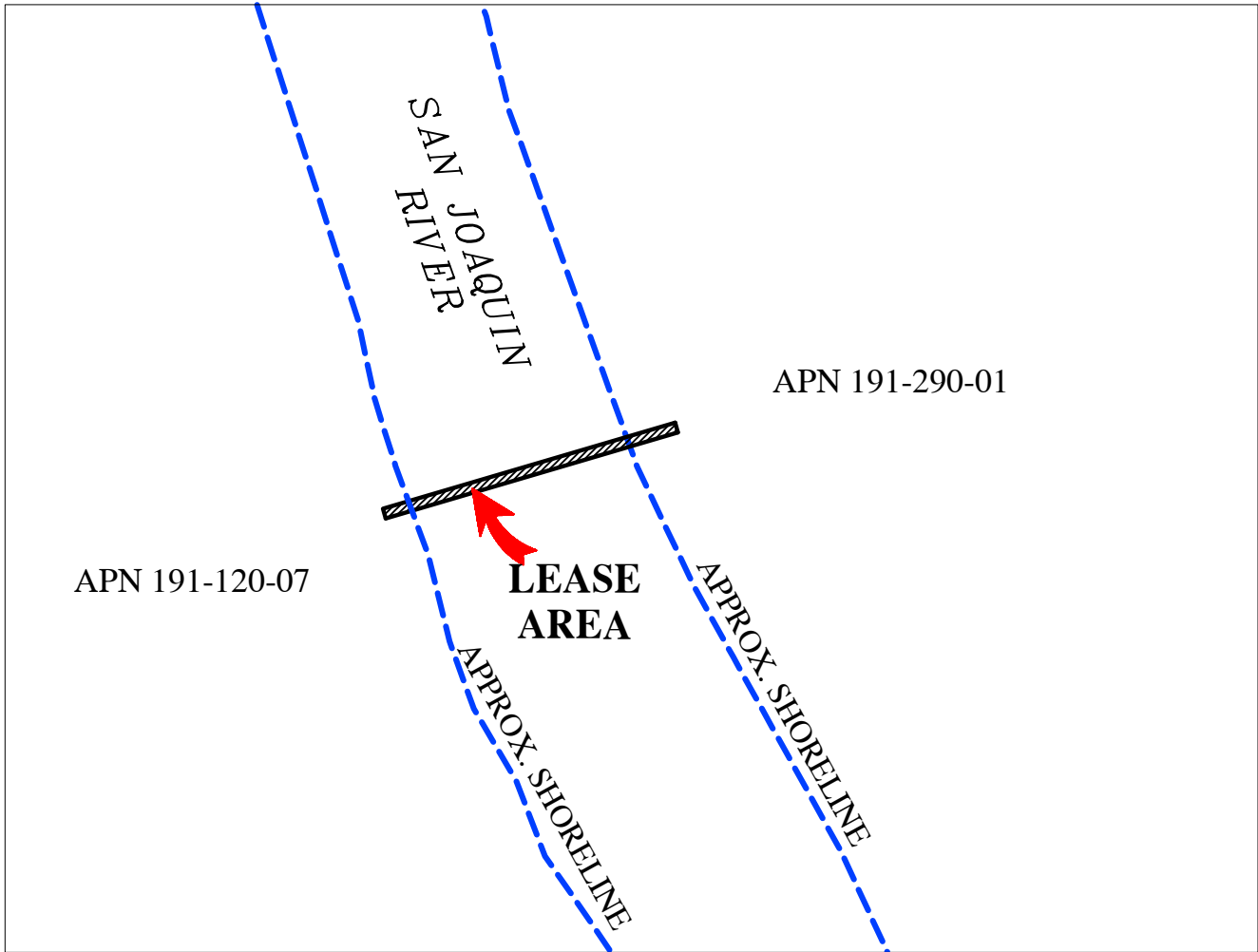
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8734.1 from \$100 per year to \$450 per year, effective December 14, 2017.

NO SCALE

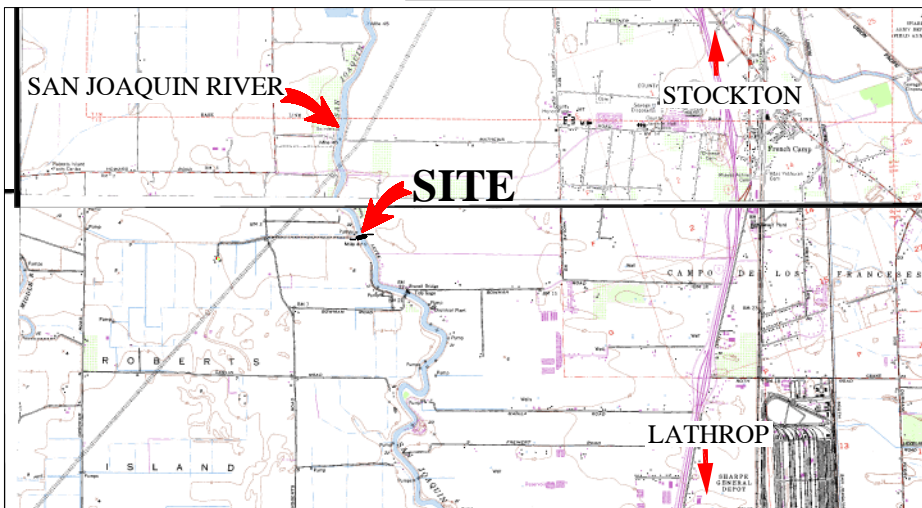
SITE



SAN JOAQUIN RIVER
ROBERTS ISLAND - NORTHEAST OF LATHROP

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8734.1

VINTAGE PRODUCTION
CALIFORNIA, LLC
GENERAL LEASE
RIGHT-OF-WAY USE
SAN JOAQUIN COUNTY



MIF 9/28/17

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.