

MINUTE ITEM

4. (APPLICATION FOR APPROVAL OF AN INITIAL TEST WELL, OIL AND GAS LEASE P.R.C. 2199.1, STANDARD OIL COMPANY OF CALIFORNIA AND HUMBLE OIL & REFINING COMPANY, SANTA BARBARA COUNTY - W. O. 3007.)

Following presentation of Calendar Item 21 attached, Mr. Kirkwood asked if the County of Santa Barbara was aware of the proposed use of a floating platform within one mile of shore. The Executive Officer stated that no notice had been given as to the specific operation, but that in the past core holes had been drilled within a mile of shore from the same type of equipment without objection.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE APPLICATION OF STANDARD OIL COMPANY OF CALIFORNIA, OPERATOR, TO DRILL A TEST WELL FROM MOBILE MARINE EQUIPMENT WITHIN THE LIMITS OF OIL AND GAS LEASE P.R.C. 2199.1 APPROXIMATELY 3,800 FEET SEAWARD OF THE ORDINARY HIGH WATER MARK, SUBJECT TO THE CONDITION THAT AFTER COMPLETION OF TESTING OPERATIONS THE WELL WILL EITHER BE PLUGGED AND ABANDONED, OR SUSPENDED OR COMPLETED AS A PRODUCING WELL BELOW SUCH ELEVATION AS MAY BE REQUIRED BY THE UNITED STATES, THE STATE, OR OTHER COMPETENT AUTHORITY, AND WITH THE PRODUCTION PIPED ALONG OR BELOW THE FLOOR OF THE OCEAN TO SUCH RECEIVING POINT AS THE COMMISSION MAY DETERMINE OR APPROVE.

Attachment
Calendar Item 21 (1 page)

CALENDAR ITEM

SUPPLEMENTAL

21.

(APPLICATION FOR APPROVAL OF AN INITIAL TEST WELL, OIL AND GAS LEASE P.R.C. 2199.1, STANDARD OIL COMPANY OF CALIFORNIA AND HUMBLE OIL & REFINING COMPANY, SANTA BARBARA COUNTY - W. O. 3007.)

On July 25, 1958 Oil and Gas Lease P.R.C. 2199.1 was issued to the Standard Oil Company of California and Humble Oil & Refining Company pursuant to competitive public bidding. Standard Oil Company of California has been designated as operator.

An application has been received from the Standard Oil Company of California, operator, for the approval of an initial test well to be drilled from a mobile-type drilling barge on the leased area approximately 3,800 feet seaward of the ordinary high water mark, with the provision that after completion of testing operations the well will either be plugged and abandoned, or suspended or completed as a producing well on the ocean floor without the placement of any permanent structure projecting above the ocean surface.

Section 8 of Exhibit "A" of the subject lease provides in part that "No permanent filled lands, platforms, or other fixed or floating structures for well sites or other operations for oil and gas development from the leased area shall be constructed, used, maintained or operated at any location less than one statute mile seaward of the ordinary high water mark..." Section 2122(g) of the Rules and Regulations provides "No permanent filled lands, piers, platforms, or other fixed or floating structures in, on, or over the tide and submerged lands covered by the lease or otherwise available to the lessee shall be permitted to be constructed, used, maintained, or operated where service of less than 20 wells is provided for, without specific authority by the commission. Operating wells not meeting the foregoing requirement shall be completed below such elevation as may be required in each case by the United States, the State, or other competent authority, with the production piped along or below the floor of the ocean to such receiving points as the commission may determine or approve..."

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE APPLICATION OF STANDARD OIL COMPANY OF CALIFORNIA, OPERATOR, TO DRILL A TEST WELL FROM MOBILE MARINE EQUIPMENT WITHIN THE LIMITS OF OIL AND GAS LEASE P.R.C. 2199.1 APPROXIMATELY 3,800 FEET SEAWARD OF THE ORDINARY HIGH WATER MARK, SUBJECT TO THE CONDITION THAT AFTER COMPLETION OF TESTING OPERATIONS THE WELL WILL EITHER BE PLUGGED AND ABANDONED, OR SUSPENDED OR COMPLETED AS A PRODUCING WELL BELOW SUCH ELEVATION AS MAY BE REQUIRED BY THE UNITED STATES, THE STATE, OR OTHER COMPETENT AUTHORITY, AND WITH THE PRODUCTION PIPED ALONG OR BELOW THE FLOOR OF THE OCEAN TO SUCH RECEIVING POINT AS THE COMMISSION MAY DETERMINE OR APPROVE.