

MINUTE ITEM

30. DETERMINATION OF COMMISSION POLICY WITH RESPECT TO DEVELOPMENT OF PETROLEUM RESOURCES IN CALIFORNIA TIDE AND SUBMERGED LANDS UNDER THE JURISDICTION OF THE STATE LANDS COMMISSION - W.O. 6000.

Consideration of Calendar Item 6 attached was deferred to the September 24, 1964, meeting of the Commission.

Attachment

Calendar Item 6 (2 pages)

CALENDAR ITEM

6.

DETERMINATION OF COMMISSION POLICY WITH RESPECT TO DEVELOPMENT OF PETROLEUM RESOURCES IN CALIFORNIA TIDE AND SUBMERGED LANDS UNDER THE JURISDICTION OF THE STATE LANDS COMMISSION - W.O. 6000.

With the advent of the Commission's sequential leasing program in late 1960, the pace of California's offshore oil development has increased considerably. A total of 98,231 acres have been leased by the Commission for the development of oil resources along the coast between Point Conception and the City of Newport Beach. In northern California coastal waters, drilling is currently under way on a block of federal leases three miles seaward of the coastline. A growing concern has quite naturally arisen over the increasing number of offshore leases and appurtenant structures.

At recent meetings of the Commission, the State Lands Division was directed to undertake a study and report concerning California's tideland oil development and its relationship to the esthetics of the coastline.

In summary, the study indicates that since the enactment of the first California statute in 1921, governing the exploration and development of petroleum resources, the Legislature has steadily revised and increased the scope of protective regulations designed to preserve the esthetic and property values of developed coastal recreational and residential areas.

The statutes provide the State Lands Commission with adequate bases for protecting the more traditional uses of the coast during the development of petroleum resources in tide and submerged lands. The Commission is required to submit all applications for the erection of any permanent structures on tide or submerged lands to the Director of Conservation for review concerning any possible interference with the recreational use of lands littoral to the tide or submerged lands. Any specific method of exploration, development or operation which could result in interference or impairment of developed shoreline recreational or residential areas is prohibited unless modified in a manner to avoid such interference or impairment.

The Commission was also directed to establish a framework of regulations which would protect the developed shoreline areas. Prior to leasing any lands pursuant to the 1955 Act, the Commission adopted a number of specific operating conditions for offshore and onshore drillsites which requires removal of the derrick upon completion of operations, landscaping of permanent structures (at the discretion of the Commission), avoidance of pollution of waters and beaches, suitable sanitary facilities, conduct of operations to prevent dust, noise, vibrations and noxious odors, service for at least 20 wells at the drillsite (platforms, piers, and filled lands), and restriction against signs other than those required by law.

The Lands Commission is also required to give public notice before offering any area of tide or submerged lands for lease in order that any affected

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city or county may request a public hearing for the purpose of determining whether any such proposed lease would:

1. Be detrimental to the health, safety, comfort, convenience, or welfare of persons residing in, owning real property, or working in the neighborhood of such lease areas.
2. Interfere with the developed riverbank or shore line, residential or recreational areas to an extent that would render such areas unfit for recreational, residential or park purposes.
3. Destroy, impair, or interfere with the esthetic and scenic value of such areas.
4. Create any fire hazard or smoke, smog, or dust nuisance, or pollution of waters surrounding or adjoining said areas. (Public Resources Code, Section 6873.2).

Upon completion of a public hearing, the Commission determines, from evidence submitted, the necessary operational regulations to be incorporated into the form of lease applicable to a specific area in order to provide maximum protection to any affected city or county.

Each area in which it is proposed to develop petroleum resources must be considered and evaluated with respect to its own distinctive environmental characteristics prior to the selection and implementation of protective measures designed to maintain a proper degree of compatibility between oil operations and other uses of the coastline. The ultimate decision may be achieved only by weighing all economic, esthetic, and public interest factors relevant to a particular area and operation, with a view towards arriving at a harmonious land usage pattern.

IT IS RECOMMENDED THAT THE COMMISSION:

1. CONTINUE TO APPLY THE PRESENT SCOPE OF PROTECTIVE STATUTES AND RULES AND REGULATIONS (DESIGNED BY THE LEGISLATURE AND THE COMMISSION TO PRESERVE THE ESTHETIC AND PROPERTY VALUES OF DEVELOPED COASTAL RECREATIONAL AND RESIDENTIAL AREAS), WITH A VIEW TOWARD PROVIDING MAXIMUM PROTECTION OF THE MORE TRADITIONAL USES OF THE COASTLINE DURING THE DEVELOPMENT OF PETROLEUM RESOURCES, CONSISTENT WITH SOUND ECONOMIC OPERATIONS AND OPTIMUM REVENUE RETURN FOR THE CITIZENS OF CALIFORNIA;
2. ENCOURAGE THE PETROLEUM INDUSTRY TO CONDUCT A CONTINUING EDUCATIONAL PROGRAM DESIGNED TO ACQUAINT THE BODY PUBLIC WITH PETROLEUM DEVELOPMENT OPERATIONS IN ORDER TO DEMONSTRATE THE OVER-ALL EFFECTIVENESS OF PROTECTIVE MEASURES TAKEN TO ELIMINATE OR MINIMIZE UNDESIRABLE EFFECTS; AND
3. CONSIDER A RECOMMENDATION TO THE APPROPRIATE STATE AGENCY FOR A COMPREHENSIVE STUDY TO DETERMINE THE FEASIBILITY OF UTILIZING OFFSHORE DRILLING ISLANDS (UPON COMPLETION OF LESSEE'S OPERATION) FOR THE ENHANCEMENT OF CALIFORNIA'S OUTDOOR RECREATIONAL FACILITIES.