

9/23/65

22. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LAND AND PROPRIETARY LAND, SAN JOAQUIN COUNTY - W.O. 5584.

After consideration of Calendar Item 14 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO OFFER FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE, A PARCEL OF 970 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS AND 132.71 ACRES MORE OR LESS OF LANDS IN WHICH THE MINERALS HAVE BEEN RESERVED TO THE STATE AND 75.71 ACRES MORE OR LESS OF LAND IN WHICH THE STATE OWNS BOTH THE SURFACE AND MINERAL RIGHTS, ALL IN SAN JOAQUIN COUNTY.

THE LEASE AWARD IS TO BE MADE TO THE QUALIFIED BIDDER OFFERING THE HIGHEST CASH-BONUS PAYMENT IN CONSIDERATION OF THE ISSUANCE OF AN OIL AND GAS LEASE.

THE BID-LEASE FORM TO BE UTILIZED SHALL BE THE FORM APPROVED AND ADOPTED BY THE STATE LANDS COMMISSION ON APRIL 29, 1965 (CALENDAR ITEM 30, PAGE 34), AS MODIFIED IN EXHIBIT "1" (W.O. 5584), ON FILE IN THE OFFICE OF THE COMMISSION, AND HEREBY MADE A PART HEREOF BY REFERENCE.

THE LEASE RENTAL IS TO BE \$1.00 PER ACRE PER YEAR.

THE AREA TO BE OFFERED DESIGNATED AS W.O. 5584 IS DESCRIBED IN EXHIBIT "1".

Attachment

Calendar Item 14 (1 page)

14.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LAND AND PROPRIETARY LAND,
SAN JOAQUIN COUNTY - W.O. 5584.

On May 27, 1965, the Commission authorized the Executive Officer to proceed with the publication of a notice, as required by Section 6873.2 of the Public Resources Code, that the Commission intends to consider offering a lease for the extraction of oil and gas from a tract of tide and submerged lands in portions of the San Joaquin River, Middle River, Whiskey Slough, Connection Slough, and Little Connection Slough, situate in the County of San Joaquin. The Public Resources Code provides that any affected city or county may, within 30 days after the publication of such notice, request in writing to the Commission that a hearing be held with respect thereto. The notice has been published, the 30-day period has elapsed, and no request that a hearing be held has been received.

A portion of the subject lands underlies waters covered by the provisions of Section 8710 of the Water Code; the approval of the Reclamation Board will be required for the placing of any fill or the erection of any offshore structure upon such lands.

In this area, the State also owns a mineral interest in Tinsley Island which adjoins these tide and submerged lands. In addition, the State has acquired the surface and mineral rights to portions of Venice Cut and Wards Cut, pursuant to Chapter 516, Statutes of 1927, in connection with rectifying the channel of the San Joaquin River in cooperation with the government of the United States, and it would be in the State's best interest to offer these interests for lease at the same time.

Section 6854 of the Public Resources Code provides that the Commission may lease such mineral rights without the consent of the State agency owning the surface rights if the development is made by slant drilling from surface locations on lands not under the control of such State agency.

IT IS RECOMMENDED THAT THE STATE LANDS COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO OFFER FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE, A PARCEL OF 970 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS AND 132.71 ACRES MORE OR LESS OF LANDS IN WHICH THE MINERALS HAVE BEEN RESERVED TO THE STATE AND 75.71 ACRES MORE OR LESS OF LAND IN WHICH THE STATE OWNS BOTH THE SURFACE AND MINERAL RIGHTS, ALL IN SAN JOAQUIN COUNTY.

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