

MINUTE ITEM

6/6/74
WFY

14. APPLICATION BY RECLAMATION DISTRICT NO. 1000 FOR EXEMPTION OF PROPOSED OIL AND GAS LEASE FROM PROCEDURE REQUIRED BY THE PUBLIC RESOURCES CODE, SACRAMENTO AND SUTTER COUNTIES - W 9703.

After consideration of Calendar Item 12 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY RECLAMATION DISTRICT NO. 1000, ON JANUARY 18, 1974.
2. CERTIFIES THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZES THAT, PURSUANT TO SECTION 7052 OF THE PUBLIC RESOURCES CODE, THE COMMISSION EXEMPT, BY REASON OF SMALL SIZE AND DRAINAGE OF OFFSET WELL AND LACK OF DRILLSITES, THE PROPOSED OIL AND GAS LEASE COVERING THE PARCEL OF RECLAMATION DISTRICT NO. 1000 LAND IN THE "NATOMAS BENNETT SUBDIVISION" AND "NATOMAS CENTRAL SUBDIVISION", DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FROM THE COMPETITIVE PUBLIC BIDDING PROCEDURE REQUIRED UNDER SECTIONS 7052 AND 7053 OF THE PUBLIC RESOURCES CODE.

Attachment:

Calendar Item 12 (3 pages)

CALENDAR ITEM

12.

5/74
WFY
W 9703

APPLICATION BY RECLAMATION DISTRICT NO. 1000 FOR EXEMPTION OF
PROPOSED OIL AND GAS LEASE FROM PROCEDURE REQUIRED BY THE
PUBLIC RESOURCES CODE, SACRAMENTO AND SUTTER COUNTIES

An application has been received on behalf of Reclamation District No. 1000 for exemption of two parcels of land containing 30.64 acres, Sacramento and Sutter Counties, owned by the District, from competitive public bid as required by Sections 7052 and 7053 of the Public Resources Code.

Shell Oil Company has submitted a lease to Reclamation District No. 1000 whereby the District will be paid one-sixth royalty on all oil and gas produced.

Section 7052 of the Public Resources Code states in part:

"The State Lands Commission may in its discretion exempt particular leases or operating agreements from the procedure required by this section and Section 7053 where by reason of the small size of the property or drainage from offset wells such procedure would in the judgment of the State Lands Commission in the particular case be impracticable."

Reclamation District No. 1000 is agreeable to the terms of the lease, and because of the small size of the parcel and drainage by offset wells, and the fact that Shell Oil Company has all of the surrounding lands under lease, a request has been made that the State Lands Commission approve the waiving of bidding procedures.

The Reclamation District, in compliance with the California Environmental Quality Act, has completed a negative declaration for the lease declaring that the project will not have a significant effect on the environment. Because of the small size and irregular shape of the District lands, it is anticipated that the property will be unitized with other surrounding property. For this reason, the Division will not give its consent to the drilling of a well on the property.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY RECLAMATION DISTRICT NO. 1000, ON JANUARY 18, 1974.
2. CERTIFY THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

CALENDAR ITEM NO. 12. (CONTD)

4. AUTHORIZE THAT, PURSUANT TO SECTION 7052 OF THE PUBLIC RESOURCES CODE, THE COMMISSION EXEMPT, BY REASON OF SMALL SIZE AND DRAINAGE OF OFFSET WELL AND LACK OF DRILLSITES, THE PROPOSED OIL AND GAS LEASE COVERING THE PARCEL OF RECLAMATION DISTRICT NO. 1000 LAND IN THE "NATOMAS BENNETT SUBDIVISION" AND "NATOMAS CENTRAL SUBDIVISION", DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, FROM THE COMPETITIVE PUBLIC BIDDING PROCEDURE REQUIRED UNDER SECTIONS 7052 AND 7053 OF THE PUBLIC RESOURCES CODE.

Attachment: Exhibit "A"

EXHIBIT "A"

W 9703

PARCEL 1:

Lots 106 and 183-B as shown on the "Map of Natomas Bennett Subdivision", recorded in the office of the County Recorder, Sacramento County, California, on March 25, 1921, in Book 16 of Maps, Map No. 22.

PARCEL 2:

Lot 183-A as shown on map entitled "Natomas Central Subdivision", filed in the office of the County Recorder of Sutter County, California, on September 18, 1920, in Book 3 of Surveys, at page 38.