

MINUTE ITEM

This Calendar Item No. 01
was approved as Minute Item
No. 1 by the State Lands
Commission by a vote of 3
to 0 at its 1-2-79
meeting.

CALENDAR ITEM

C 0 1

1/81
PRC 5636
Louie

AMENDMENT OF GENERAL LEASE - RIGHT-OF-WAY USE

BACKGROUND:

On March 28, 1979, the State Lands Commission approved a 30-year General Lease - Right-of-Way Use, PRC 5636.1, beginning May 1, 1979, to Shell Oil Company, with an option to renew for one successive period of 10 years. Annual rental is in accordance with the Cal. Adm. Code, volumetric alternative with the State reserving the right to fix a different rental on each fifth anniversary of the lease. The lease parcel is approximately 10.69 acres located in San Pedro Channel, Orange County, and is being used for the construction, operation and maintenance of a 16-inch-diameter crude oil pipeline serving, exclusively, Lessee's OCS Beta Unit Development. The lease provides that payment of rentals in excess of the minimum annual rental be placed into a special deposit account in the State Treasury, pending final disposition of current litigation concerning the validity of the Commission's rental regulations.

The Commission also found at its March, 1979 meeting that the above action does not amend or prejudice the position of the State in any pending or future litigation regarding the federal outer continental shelf.

CURRENT SITUATION:

The staff has been notified by Shell Oil Company that installation of the pipeline was completed June 18, 1980. The actual location of the pipeline, as built, differs from the description of the lease premises previously approved by the Commission. Therefore, it is recommended that the Commission's earlier authorization be amended to provide for a change in the land description to reflect the existing location of the pipeline as shown on Exhibit A attached.

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| CALENDAR PAGE | 001 |
| MINUTE PAGE | 008 |

CALENDAR ITEM NO. C C 1 (CONTD)

This project is within the purview of Section 15060 of Title 14 of the Cal. Adm. Code.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 & 2.
- B. Cal. Adm. Code: Title 2, Div. 3.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH DOCUMENT IS NOT REQUIRED UNDER THE PROVISIONS OF PRC 21065, 14 CAL. ADM. CODE 15037 AND 15060 AND 2 CAL. ADM. CODE 2903(d).
2. DETERMINE THAT THIS PROJECT IS EXEMPT FROM THE REQUIREMENTS OF ARTICLE 6.5, OF TITLE 2, OF THE CAL. ADM. CODE BECAUSE THIS PROJECT IS NOT A DEVELOPMENT WITHIN THE MEANING OF SECTION 2503, OF TITLE 2, OF THE CAL. ADM. CODE AND SECTION 30105 OF THE PRC.
3. AUTHORIZE THE AMENDMENT OF THE LAND DESCRIPTION OF GENERAL LEASE - RIGHT-OF-WAY USE, PRC 5636.1, TO SHELL OIL COMPANY, TO THAT SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF, WITH ALL OTHER ASPECTS OF THE COMMISSION'S ACTION ON THIS PERMIT TO REMAIN UNCHANGED.

