

MINUTE ITEM

This Calendar Item No. 29  
was approved as Minute Item  
No. 29 by the State Lands  
Commission by a vote of 3  
to 0 at its 4-7-81  
meeting.

CALENDAR ITEM

29

3/81  
W 40183  
W 40220  
R 8071  
Fernino

AUTHORIZATION TO  
CONTRACT FOR PREPARATION  
OF AN EIR FOR PROPOSED  
EXPLORATORY DRILLING OPERATIONS ON  
STATE OIL AND GAS LEASES  
P 208, P 3120 and P 3242  
ELLWOOD AREA, SANTA BARBARA COUNTY

On February 1, 1969, in response to an oil and gas blowout on Federal OCS in the Santa Barbara Channel, the State Lands Commission declared a moratorium on further drilling on State offshore oil and gas leases.

On July 31, 1969, the Commission adopted a resolution that provides that: "Recommendation for drilling wells on existing leases may be brought to the Commission for consideration on a well-by-well basis if there are unique circumstances that justify and require such drilling."

The staff of the State Lands Commission has received two separate applications to conduct exploratory drilling operations on State Oil and Gas Leases in the Ellwood Area, Santa Barbara County.

The purpose of the exploratory drilling is to evaluate the hydrocarbon resource potential in the geologic formations that underlie the above leases.

An application was made by Aminoil USA, Inc. to conduct exploratory drilling on State Oil and Gas Lease P 208. Subsequently, Arco Oil and Gas Company applied for the same purpose on P 3120 and P 3242.

These Oil and Gas Leases (P 208, P 3120, P 3242) are contiguous and the proposed exploratory drilling operations are similar in nature. In an effort to clearly and efficiently delineate the total impacts of both projects, the staff of the Commission, after consultation with both Aminoil and Arco, recommends that the Commission address the environmental impacts of these projects in one comprehensive environmental impact report (EIR).

A 35  
S 18

CALENDAR ITEM NO. 20 (CONTD.)

The State Lands Commission is the Lead Agency for this project under the provisions of the California Environmental Quality Act (P.R.C. Section 21000 et seq.).

Assuming the proposed exploratory projects are successful in the location of commercial quantities of petroleum and natural gas, Aminoil's and Arco's ultimate objective would be to produce, process, refine and market the resource.

These projects are limited to the exploratory phase and any subsequent production, processing or shipment of oil and gas would be subject to further Commission approval and additional environmental analysis.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO:

1. ISSUE A REQUEST FOR PROPOSALS (RFP) FOR THE PREPARATION OF AN EIR FOR THE PROPOSED EXPLORATORY DRILLINGS ON STATE OIL AND GAS LEASES P 208, P 3120 AND P 3342;
2. CONTRACT WITH THE BEST QUALIFIED PROPOSER TO PREPARE THE REPORT;
3. CONTRACT WITH AMINOIL USA, INC. AND ARCO OIL AND GAS COMPANY TO REIMBURSE THE STATE FOR ALL STAFF AND CONSULTANT COSTS ASSOCIATED WITH THE PREPARATION OF THE EIR AS PROVIDED BY P.R.C. SECTION 21098.

# EXHIBIT I

## PROJECT LOCATION MAP

RESUMPTION OF EXPLORATORY DRILLING  
OPERATIONS

PRC 208.1, PRC 3120.1, PRC 3242.1

SANTA BARBARA CALIFORNIA  
AMINOIL USA, INC & ARCO OIL & GAS CO.

W 40183 W40220

November 1980

PA-

APPROXIMATELY 35  
MILES TO SANTA BARBARA

TENTATIVE WELL  
LOCATIONS

HY. 101

RR

NAPLES

PRC 203  
AMINOIL

PRC  
129

PRC  
428

PRC  
421

PRC 3120  
ARCO

POSSIBLE  
JOINT  
WELL

COAL OIL  
POINT

PRC 3242  
ARCO

PRC 308  
ARCO

PRC  
309  
ARCO

PLATFORM  
HOLLY

PRC  
3498

SANTA BARBARA  
CHANNEL

2000 0 2000 4000 6000 8000

feet

1" = 4000'

(Added, 4/2/81)

CASEWORK PAGE

168a

MINUTE PAGE

644

K.L. 11-12-80