

MINUTE ITEM

24

04/26/89
PRC 2398
Louie

TERMINATION OF LEASE PRC 2378
GENERAL LEASE - INDUSTRIAL USE AND
ACCEPTANCE OF QUITCLAIM

Calendar Item 24, attached, was pulled from the agenda prior to the meeting.

Attachment: Calendar Item 24.

A 35

S 18

CALENDAR PAGE	_____
MINUTE PAGE	1261

CALENDAR ITEM

A 35

24

04/26/89

S 18

PRC 2398

Louie

TERMINATION OF LEASE PRC 2398
GENERAL LEASE - INDUSTRIAL USE
AND ACCEPTANCE OF QUITCLAIM

APPLICANT: Exxon Company, U.S. A.
(a division of Exxon Corporation,
a New Jersey corporation)
Attn: Wade Cook
P.O. Box 5025
Thousand Oaks, California 91359-5025

AREA, TYPE LAND AND LOCATION:
A 38.35-acre parcel of tide and submerged
land offshore from El Capitan State Beach,
Santa Barbara County.

LAND USE: Existing marine terminal.

TERMS OF CURRENT LEASE: (Second Renewal Period)
Renewal period: Ten years from April 30, 1984.

Surety bond: \$50,000.

Public liability insurance: \$1,000,000 per
occurrence for bodily injury
and \$5,000,000 for property
damage.

CONSIDERATION: Beginning April 30, 1984 - \$20,000; beginning
April 30, 1985 - \$25,000; beginning April 30,
1986 - \$30,000, with the State reserving the
right to fix a different rental on each
fifth anniversary of the lease. The State also
reserves the right to reset the rent on the
third anniversary of the lease or at such time
lessee obtains authorization to use facilities,
whichever is sooner.

CALENDAR ITEM NO. 24 (CONT'D)

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

APPLICANT STATUS:

Applicant is permittee of upland.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. Exxon Corporation, now Exxon Company, U.S.A. (a division of Exxon Corporation, a New Jersey corporation), was assigned lease PRC 2398 in April 1974. The lease covers an existing marine terminal (not now in use) offshore from El Capitan State Beach in Santa Barbara County.

2. The State Lands Commission, at its meeting on January 21, 1988, approved lease PRC 7162 to Exxon Company, U.S.A. for the construction of an industry scale marine terminal roughly 14,436 feet offshore at Las Flores Canyon. A portion of lease PRC 2398 overlaps PRC 7162.

Exxon has notified staff that it now wishes to terminate lease PRC 2398. Pursuant to the terms of the lease, the Commission may require removal of all or a portion of the improvements, or accept the lease premises as improved.

3. Exxon has requested that it be allowed to abandon, in place, the anchors, chain, and a major portion of existing pipeline associated with the marine terminal. Proposed abandonment plans include:

a. Removal of the pipeline from the shoreward end out to a water depth of at least 15 feet below mean lower low water

CALENDAR ITEM NO. 24 (CONT'D)

(-15 feet MLLW). All stanchions would be completely removed or at least to bedrock, so that they are not dangerously exposed in the future.

- b. Filling the remainder of the pipeline, which is partially buried, with concrete and/or mud and capping the pipeline.
 - c. Abandonment in place of the capped pipeline, anchors, and chain.
4. The El Capitan Marine Terminal has been in place at least since the 1940's. The terminal was last used in 1970, and was obtained by Exxon from Shell Oil Company in 1974. At staff's request, Exxon conducted a diver survey to confirm the status of the five anchors.

Four of the five anchors were searched for during the diver survey. The two most shoreward anchors were found approximately 2,000 feet offshore. These two anchors were found partially buried, protruding four to five feet above the ocean bottom. The protruding portions were found to be covered with a significant amount of hard-bottom-related marine growth.

A subsequently conducted side scan survey has revealed a third anchor and the possible location of a fourth anchor.

5. Commission staff has contacted the Secretary of Environmental Affairs regarding Exxon's abandonment plans. The Secretary has advised that the locations of the protruding anchors abandoned in place should be posted in the Notice to Mariners and be made known to fishermen in the area. Exxon will also be required to notify the U.S. Coast Guard and the Joint Oil/Fisheries Liaison Office in Santa Barbara and other fishermen's associations in the area.

CALENDAR ITEM NO. 24 (CONT'D)

6. Exxon has agreed to indemnify the State against any liability which may arise due to abandonment of the improvements in place.

7. ENVIRONMENTAL REVIEW

An EIR, two (2) supplemental EIR's, and two (2) EIR Addendums were prepared and adopted for Exxon's Santa Ynez Unit Development by the County of Santa Barbara. The State Lands Commission was a member of a joint review panel for the original EIR/EIS which was headed by the County of Santa Barbara as the CEQA Lead Agency.

The Environmental Impact Statement/Report for Exxon's Santa Ynez Unit Development indicated there would be significant adverse impacts if the existing anchors were removed. Also, the Department of Fish and Game has indicated to staff that the anchors would serve as valuable habitat in an area characterized by sandy bottom.

The State Lands Commission staff has reviewed the County's EIRs and believes that they comply with the requirements of the CEQA.

8. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS REQUIRED:

County of Santa Barbara, California Coastal Commission, California Department of Parks and Recreation.

EXHIBITS:

- A. Land Description - Quitclaim of PRC 2398.
B. Plan of Existing Facilities.
C. Location Map.

CALENDAR ITEM NO. 24 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE FINAL EIRs, SUBSEQUENT SUPPLEMENTALS AND ADDENDUMS PREPARED AND ADOPTED FOR THIS PROJECT BY THE COUNTY OF SANTA BARBARA AS CEQA LEAD AGENCY HAVE BEEN REVIEWED AND CONSIDERED BY THE COMMISSION.
2. FIND THAT THE PROJECT, AS PROPOSED, WILL NOT HAVE A SIGNIFICANT EFFECT UPON THE ENVIRONMENT.
3. AUTHORIZE THE TERMINATION OF LEASE PRC 2398, EFFECTIVE APRIL 30, 1989, AND ABANDONMENT OF THE EL CAPITAN MARINE TERMINAL AS FOLLOWS:

(A) REMOVAL OF THE PIPELINE FROM THE SHOREWARD END OUT TO A WATER DEPTH OF AT LEAST 15 FEET BELOW MEAN LOWER LOW WATER; ALL STANCHIONS SHALL BE COMPLETELY REMOVED OR AT LEAST TO BEDROCK SO THEY ARE NOT DANGEROUSLY EXPOSED IN THE FUTURE.

(B) ABANDONMENT OF THE REMAINING PIPELINE, ANCHORS AND CHAIN, IN PLACE AS SHOWN ON EXHIBIT "B", PROVIDED EXXON COMPANY, U.S.A.: 1) EXECUTES AN AGREEMENT TO INDEMNIFY THE STATE AGAINST ANY AND ALL LIABILITY ARISING FROM SUCH ABANDONMENT; AND 2) ENSURES THAT THE ESTABLISHED AND PROBABLE LOCATIONS OF SUCH ABANDONED FACILITIES ARE PROPERLY POSTED IN THE NOTICE TO MARINERS AS WELL AS BEING MADE KNOWN TO THE UNITED STATES COAST GUARD, THE JOINT OIL/FISHERIES CARSON OFFICE IN SANTA BARBARA AND RELEVANT FISHERMEN'S ASSOCIATIONS.

4. ACCEPT A QUITCLAIM DEED FROM EXXON AS TO THE LAND DESCRIBED IN EXHIBIT "A", EFFECTIVE UPON VERIFICATION BY STAFF THAT IMPROVEMENTS HAVE BEEN REMOVED OR POSTED AS SPECIFIED ABOVE.

EXHIBIT "A"

PRC 2398.1

LAND DESCRIPTION

Two (2) parcels of tide and submerged land in the bed of the Santa Barbara Channel, Pacific Ocean; said parcels are located 21 miles west of Santa Barbara and adjacent to fractional Section 5, T4N, R31W, SBM; said parcels are more particularly described as follows:

PARCEL 1

A strip of land 60 feet wide, lying 30 feet on either side of the following described centerline:

COMMENCING at monument no. 5 as said monument is shown on the "Map of State Leases and Permits, El Capitan Oil Field" (LRT-27) approved by W.S. Kingsbury, Chief of the Division of State Lands and filed with the Division of State Lands at Sacramento, California; thence S 77° 14' 30" E, 45.9 feet to the centerline of said parcel and TRUE POINT OF BEGINNING; thence S 11° 33' 30" W, 2,885.00 feet to the end of the herein described centerline.

EXCEPTING THEREFROM any portion lying landward of the ordinary high tide line of the Pacific Ocean.

PARCEL 2

A circular parcel of land having a radius of 700.00 feet. The location of the center of said parcel is described as follows:

COMMENCING at monument no. 5 as said monument is shown on the "Map of State Leases and Permits, El Capitan Oil Field" (LRT-27) approved by W.S. Kingsbury, Chief of the Division of State Lands and filed with the Division of State Lands at Sacramento, California; thence S 77° 14' 30" E, 45.9 feet to the centerline of the afore mentioned Parcel 1; thence S 11° 33' 30" W, 2,885.00 feet to the center of said Parcel 2.

EXCEPTING THEREFROM any portion described in Parcel 1.

ALSO EXCEPTING THEREFROM any portion lying within PRC 7162.1, Parcel 1, a description of said PRC being on file in the records of the California State Lands Commission in Sacramento, California.

END OF DESCRIPTION

REVISED APRIL 4, 1989 BY BIU 1.

CALENDAR PAGE	149
MINUTE PAGE	1267

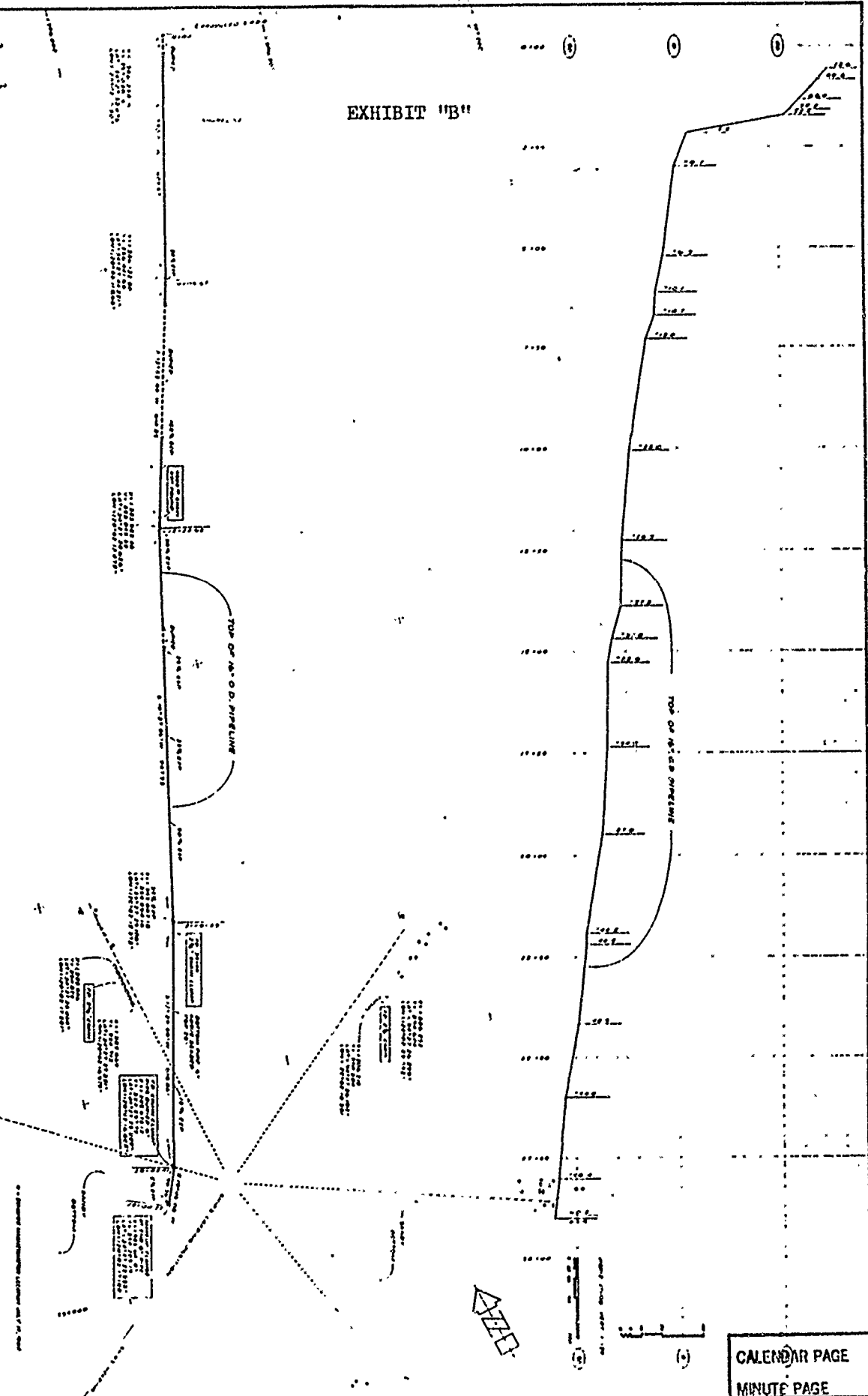
EXHIBIT "B"

PRC 2398.1

LAND & AIR PHOTOGRAPHIC SURVEY
UNITED STATES ARMY
ENGINEER REGIMENT
FORT MONMOUTH, NEW JERSEY

1. This drawing is a plan view of the area shown on the photograph and is not to scale. It is intended to show the location of the various structures and features shown on the photograph. The drawing is based on a plan view of the area shown on the photograph and is not to scale. It is intended to show the location of the various structures and features shown on the photograph. The drawing is based on a plan view of the area shown on the photograph and is not to scale. It is intended to show the location of the various structures and features shown on the photograph.

ENGINEER COMPANY USA
ENGINEER REGIMENT
FORT MONMOUTH, NEW JERSEY
ENGINEER REGIMENT
FORT MONMOUTH, NEW JERSEY



CALENDAR PAGE 150
MINUTE PAGE T268

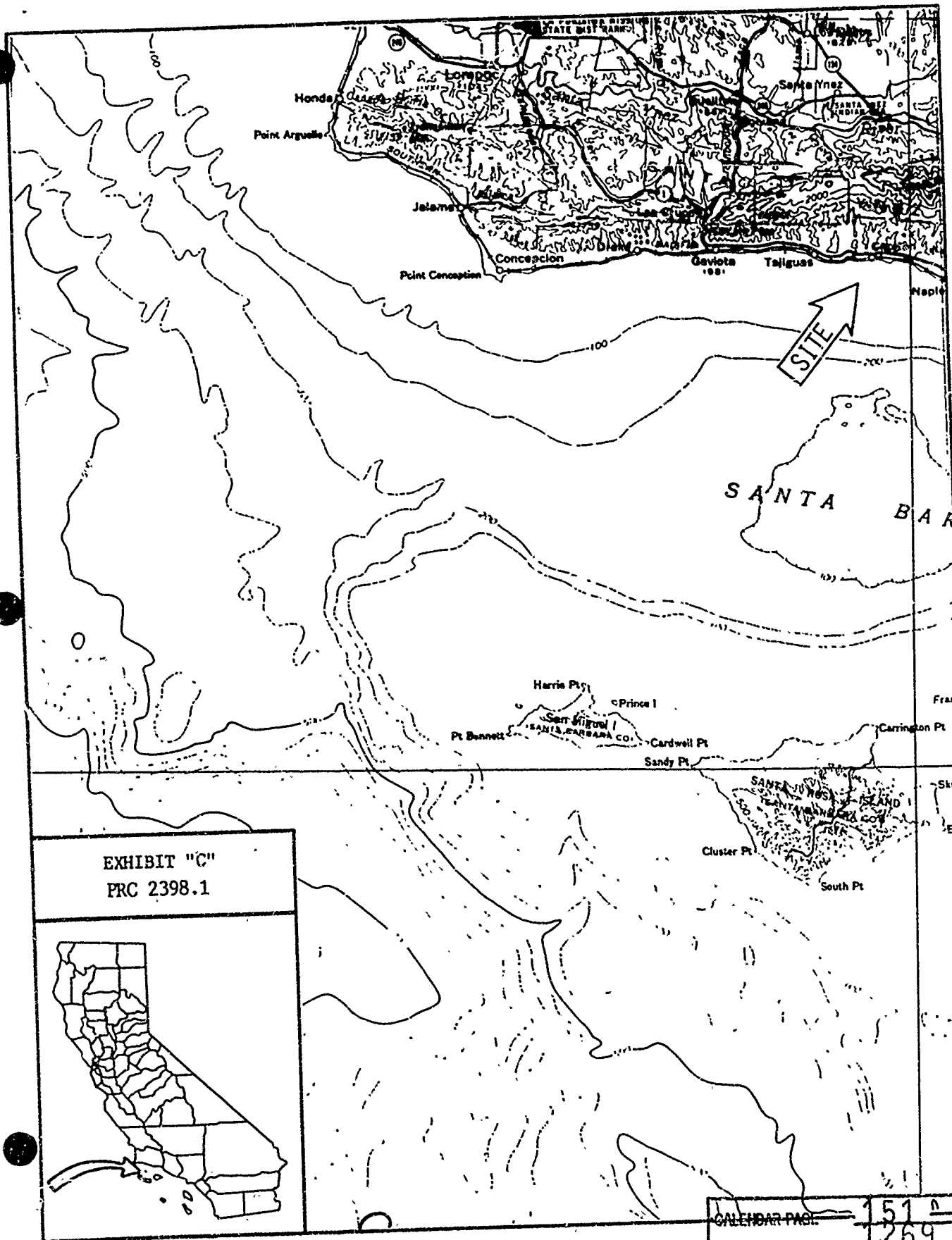


EXHIBIT "C"
 PRC 2398.1

CALENDAR PAGE	151
MINUTE PAGE	1269