

MINUTE ITEM

This Calendar Item No. C81
was approved as Minute Item
No. 81 by the State Land
Commission by a vote of 3
to 0 at its 7/6/95
meeting.

CALENDAR ITEM
C81

A 10, 26

07/06/95

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PRC 7375

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APPROVE ASSIGNMENT OF NEGOTIATED SUBSURFACE
(NO SURFACE USE) STATE OIL AND GAS LEASE PRC 7375,
33 ACRES IN THE BED OF BEAVER SLOUGH,
SAN JOAQUIN COUNTY

LESSEE/ASSIGNOR:

Estate of Corbin J. Robertson
P. O. Box 3331
Houston, Texas 77253

ASSIGNEE:

Vintage Petroleum Inc.
Attention: Ms. Melody Seay
4200 One Williams Center
Tulsa, Oklahoma 74172

AREA, TYPE LAND AND LOCATION:

The lease contains approximately 33 acres of tide and submerged land in the bed of Beaver Slough in San Joaquin County, California.

BACKGROUND:

Negotiated subsurface (no surface use) State oil and gas lease PRC 7375 was entered into on January 17, 1990, between the State Lands Commission (Commission) and Sun Operating Limited Partnership (Sun Operating). The lease contains approximately 33 acres of tide and submerged land in the bed of Beaver Slough in San Joaquin County, California (leased lands). On September 23, 1991, the Commission approved assignment of State oil and gas lease PRC 7375 from Sun Operating to Corbin J. Robertson (Lessee). The Commission consented to pool all 33 acres into the Beaver Slough Gas

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Unit on May 26, 1994. State oil and gas lease PRC 7375 is currently producing gas.

Lease Paragraph 29 allows the Lessee, with Commission approval, to assign any portion of the lease to an individual who possesses the qualifications specified in P.R.C. 6801. The lease also specifies that the assignment will take effect on the first day of the month following Commission approval.

In documents filed on May 22, 1995, the Lessee proposes to assign all of its 100 percent interest in the lease to Vintage Petroleum Inc. Commission staff has reviewed the documents and lease files and has found that: (1) the Assignee is qualified under P.R.C. 6801 to hold the lease, (2) the Lessee has complied with all lease provisions and no default exists.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee, processing costs and required documentation have been received and are on file in the Commission's Long Beach Office.

Bond or other security in the sum of \$5,000 has been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C. 6081, P.R.C. 6804 and P.R.C. 6507.
- B. Lease Paragraph 29.
- C. Lease Exhibit "A".

AB 884:

N/A

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OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Code Regs. 15378.

EXHIBITS:

- A. Land Description
- B. Lease Location Map
- C. Site Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. APPROVE THE ASSIGNMENT OF AN UNDIVIDED 100 PERCENT INTEREST IN STATE OIL AND GAS LEASE PRC 7375 FROM THE ESTATE OF CORBIN S. ROBERTSON (LESSEE/ASSIGNOR) TO VINTAGE PETROLEUM INC., (ASSIGNEE). COMMISSION APPROVAL OF THIS ASSIGNMENT IS GIVEN UPON THE CONDITIONS THAT THE ASSIGNMENT WILL NOT RELEASE THE ASSIGNOR FROM ANY OBLIGATION TO THE COMMISSION UNDER THE LEASE, ANY CONDITIONS IN ANY ASSIGNMENT AGREEMENT TO THE CONTRARY NOTWITHSTANDING, AND THAT THE ASSIGNEE WILL BE BOUND BY THE LEASE, INCLUDING ANY MODIFICATIONS AND COLLATERAL AGREEMENTS, TO THE SAME EXTENT AS THE ASSIGNOR, ANY CONDITIONS IN ANY ASSIGNMENT AGREEMENT TO THE CONTRARY NOTWITHSTANDING. PURSUANT TO LEASE PARAGRAPH 29, THIS ASSIGNMENT WILL TAKE EFFECT ON AUGUST 1, 1995.
3. AUTHORIZE THE EXECUTION OF ANY DOCUMENT NECESSARY TO EFFECT THE COMMISSION'S ACTION.

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EXHIBIT "A"

PRC 7375
(W 40593)

LAND DESCRIPTION

All that tide and submerged land in the bed of Beaver Slough, San Joaquin County, California, bounded on the north and south by the ordinary high water marks of said slough; bounded on the east by the north/south centerlines of projected Sections 8 & 17, T 4 N, R 5 E, M.D.M.; and bounded on the west by the southerly prolongation of the line described as "running South 1478.0, feet more or less, to the right bank of Beaver Slough;" in Document Number 85003296 Recorded January 17, 1985 in the Office of the County Recorder of said county.

END OF DESCRIPTION

REVISED APRIL 11, 1990 BY LLB.

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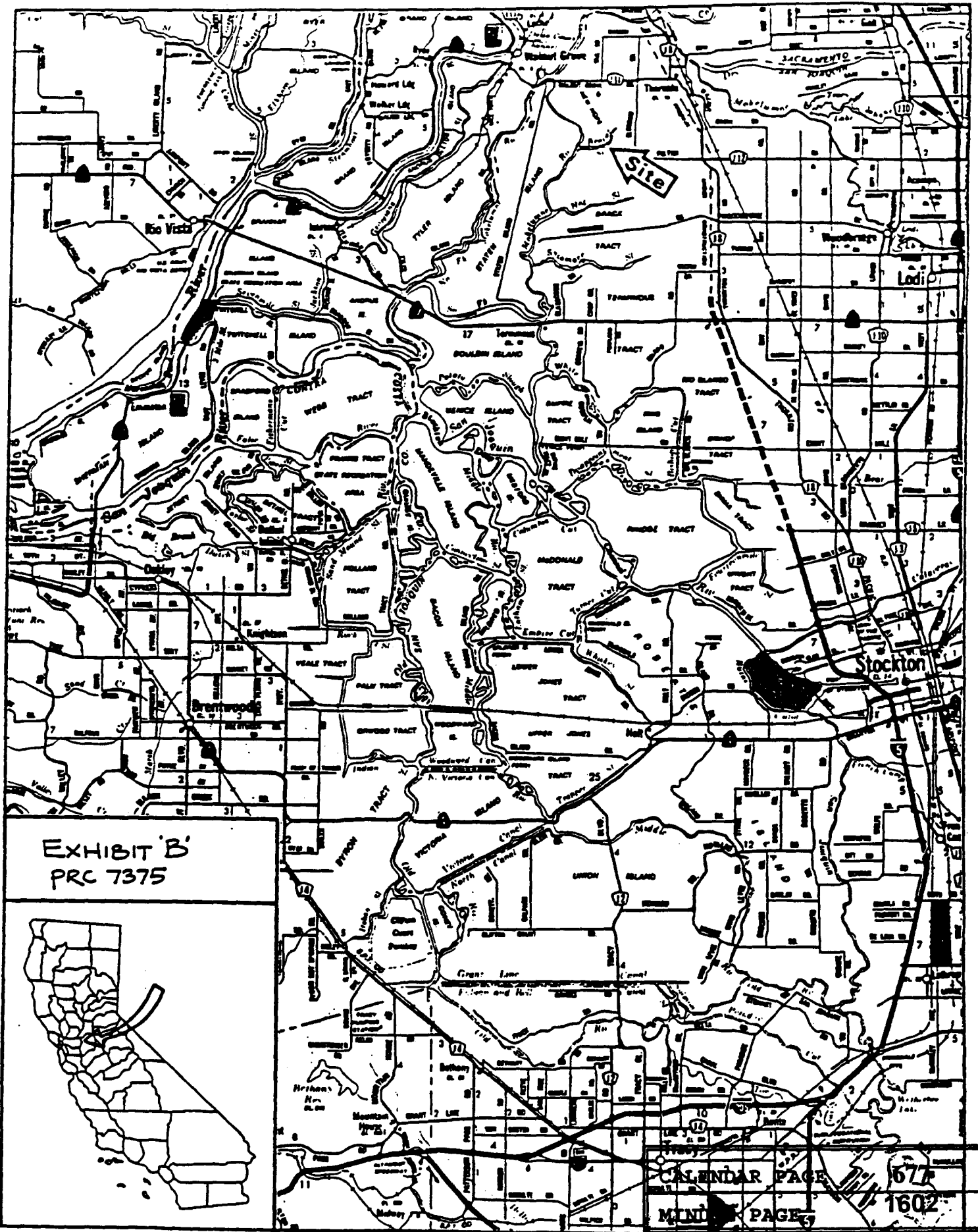


EXHIBIT B
 PRC 7375



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