MINUTE ITEM This Calendar Item No. $\underline{72}$ was submitted for information only, no action thereon being necessary.

INFORMATIONAL CALENDAR ITEM 72

A 35

06/18/02 PRC 145.1 PRC 410.1 PRC 427.1 PRC 429.1 PRC 1466.1 J. Hemphill M. Steinhilber

S 19

STAFF REPORT ON THE STATUS OF THE SAFETY AUDIT OF RINCON ISLAND AND ASSOCIATED ONSHORE OIL AND GAS OPERATIONS, RINCON OIL FIELD, VENTURA COUNTY

INTRODUCTION

At its April 2002 meeting, the Commission requested an update on the status of the resolution of the Action Items generated during the February 2001 Safety Audit of Rincon Island and the associated onshore State oil and gas leases. In addition, the Commission noted it wanted the remaining Priority One Action Items to be completed by June 2002.

SAFETY AUDIT RESULTS

In February 2001, the Mineral Resources Management Division (MRMD) staff completed its engineering and technical safety audit of the Rincon Island Limited Partnership (RILP) operations. Staff determined that actions needed to be taken concerning 473 deficiencies to bring Rincon Island and the onshore lease and associated onshore facilities and operations to current safety and environmental standards. Of the 473 deficiency Items, 48 were considered to be high priority, 101 were moderate priority, and 324 were considered lower priority. RILP has addressed all of the deficiencies and completed work on 456 of the Items. The remaining 17 deficiencies will be completed by mid-June. RILP has expended in excess of one million dollars to correct these 473 deficiencies.

EXHIBIT:

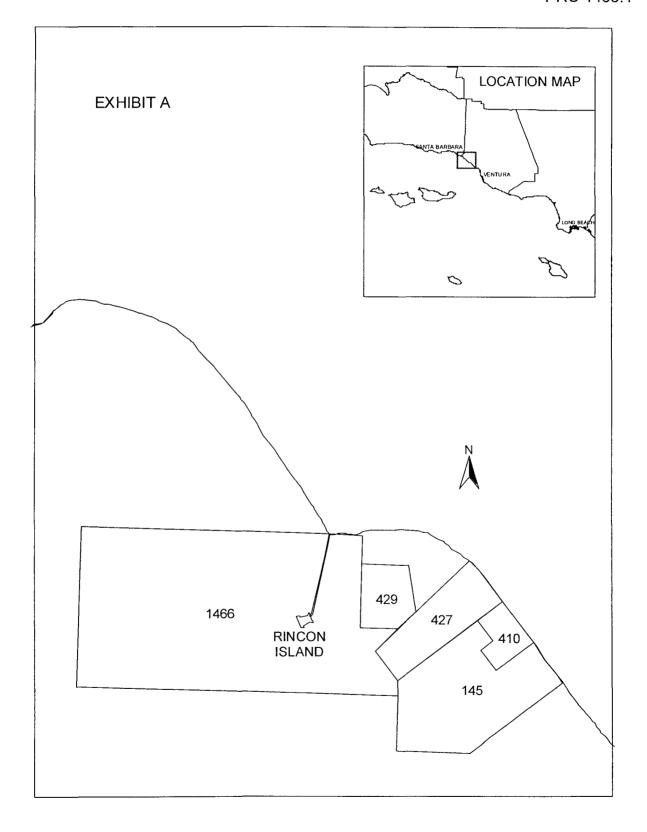
A. Location Map

-1-

000389 Calendar page

001107 MINUTE PAGE

PRC 145.1 PRC 410.1 PRC 429.1 PRC 1466.1



000390 Calendar page

001408 Minute Page