

MINUTE ITEM

This Calendar Item No. C12 was approved as Minute Item No. 12 by the California State Lands Commission by a vote of 3 to 0 at its 02/05/07 meeting.

CALENDAR ITEM
C12

A 67
S 35

02/05/07
W 25306
J. Trout
J. Brown

CONSIDER AUTHORIZING THE ACCEPTANCE OF A QUITCLAIM DEED FROM AERA ENERGY LLC FOR THE SURFACE AND THAT PORTION OF THE SUBSURFACE EXTENDING DOWNWARDS TO A DEPTH OF 500 FEET FOR THE FULL TIDAL AREA OF THE BOLSA CHICA LOWLANDS RESTORATION PROJECT

PARTIES:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825

Aera Energy LLC (Lessee)
10000 Ming Ave.
P.O. Box 11164
Bakersfield, Ca 93389-1164

BACKGROUND:

As part of the Bolsa Chica Lowlands Restoration Project (Project) approved by the State Lands Commission (Commission) on January 30, 2002 (Calendar Item 49), Aera Energy LLC (Aera) was required to abandon numerous oil and gas wells in the area known as the Full Tidal Area. The Commission acquired this property for the Project in 1997 (approved by the Commission on February 12, 1997, Calendar Item 90) subject to pre-existing lease obligations connected with oil and gas operations. The Bolsa Surface Use Agreement, dated September 2, 1971, as amended (BSUA), governs the relationship between the fee owner, now the Commission, and the oil and gas lessee (now Aera) by allowing for the development of the surface of the Project lands.

In furtherance of the Project, the Commission and Aera's predecessor in interest signed the Operating Assurances Agreement (OAA) on February 13, 1997, in recognition of the plans to restore the Bolsa Chica property as wetlands and the obligations of the Commission on behalf of the Project under the BSUA. Under the OAA and the subsequent "Agreement Implementing Provisions of the Bolsa Surface Use Agreement and the Operating Assurances Agreement Concerning Acquisition of Surface Rights; Lost Production; and Plugging and Abandonment

CALENDAR ITEM NO. C12 (CONT'D)

at Bolsa Chica, Orange County, California," (Agreement) the Commission and Aera agreed on the abandonment of wells in the Full Tidal Area. The abandonment of the wells was completed and the Full Tidal Area was opened to tidal influence on August 24, 2006.

Pursuant to the Agreement, Aera has executed a Quitclaim Deed for the surface and subsurface rights it has down to a depth of 500 feet in the Full Tidal Area. The underlying leases remain in effect except for this partial surrender.

OTHER PERTINENT INFORMATION:

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

EXHIBITS:

- A. Quitclaim Deed
- B. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

AUTHORIZATION:

1. FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14 CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14 CALIFORNIA CODE OF REGULATIONS, SECTION 15378.
2. ACCEPT A QUITCLAIM DEED FOR THE SURFACE AND THAT PORTION OF THE SUBSURFACE EXTENDING DOWNWARDS TO A DEPTH OF 500 FEET FOR THE FULL TIDAL AREA OF THE BOLSA CHICA LOWLANDS RESTORATION PROJECT.

CALENDAR ITEM NO. C12 (CONT'D)

3. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE ANY DOCUMENTS NECESSARY TO IMPLEMENT THE COMMISSION'S ACTION.

EXHIBIT A

RECORDING REQUESTED BY AND
WHEN RECORDED MAIL TO:

Aera Energy LLC
Attn: Coastal Asset Land
P.O. Box 11164
Bakersfield, CA 93389-1164

MAIL TAX STATEMENTS
TO THE ABOVE

Space Above For Recorder's Use Only

QUITCLAIM DEED

FOR A VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, Aera Energy LLC, a California limited liability company, does hereby REMISE, RELEASE AND FOREVER QUITCLAIM to the California State Lands Commission, the surface and that portion of the subsurface thereof extending downwards to a depth of five hundred feet (500 ft.) below the surface of the following described real property in the County of Orange, State of California:

See Exhibit "A", attached hereto and made a part hereof.

Dated: *January 9,* 2007

Aera Energy LLC, a California limited
liability company

By: *[Signature]*

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EXHIBIT A
Bolsa Chica Legal Line

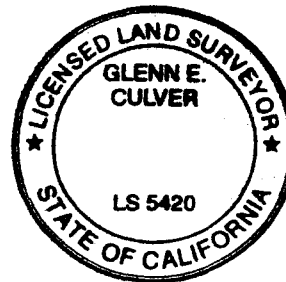
1 THAT PORTION OF THE RANCHO BOLSA CHICA, AS SHOWN ON MAP RECORDED IN BOOK 1, PAGES 431 & 432
2 TOGETHER WITH THE RANCHO BOLSA CHICA, AS SHOWN ON MAP RECORDED IN BOOK 2, PAGES 332 & 333
3 BOTH OF PATENT MAPS IN THE OFFICE OF THE COUNTY RECORDER OF LOS ANGELES COUNTY, STATE OF
4 CALIFORNIA, DESCRIBED AS FOLLOWS:

5
6 BEGINNING AT THE SPIKE AND WASHER STAMPED L.S. 3347, PER RECORD OF SURVEY 98-1035, RECORDED IN
7 BOOK 174 PAGES 1 TO 13, INCLUSIVE, SAID POINT BEING ON THE LINE DIVIDING THE UNINCORPORATED
8 TERRITORY OF THE COUNTY OF ORANGE AND THE CITY HUNTINGTON BEACH, BEING SOUTH 0° 17'41" WEST
9 0.558 METERS (1.83') FROM THE INTERSECTION OF SAID LINE AND THE NORTHEASTERLY RIGHT OF WAY LINE
10 OF PACIFIC COAST HIGHWAY, 27.432 METERS (90') WIDE, AS SHOWN ON SAID RECORD OF SURVEY; THENCE
11 NORTH 0°17'41" EAST 0.558 METERS, TO SAID INTERSECTION; THENCE, ALONG SAID RIGHT OF WAY LINE THE
12 FOLLOWING THREE COURSES, NORTH 43°35'39" WEST 162.473 METERS TO THE BEGINNING OF A CURVE
13 CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1704.451 METERS; THENCE NORTHWESTERLY 193.281
14 METERS, ALONG SAID CURVE AND THROUGH A CENTRAL ANGLE OF 6°29'50"; THENCE NORTH 37° 05'49" WEST
15 53.663 METERS TO THE **TRUE POINT OF BEGINNING**; THENCE LEAVING SAID RIGHT OF WAY LINE, NORTH
16 52°54'11" EAST 114.080 METERS; THENCE SOUTH 81°29'27" EAST 59.594 METERS; THENCE NORTH 29°11'11" EAST
17 165.109 METERS; THENCE NORTH 0°26'40" EAST 635.314 METERS; THENCE NORTH 44°57'21" WEST 33.836
18 METERS; THENCE SOUTH 45°26'36" WEST 26.466 METERS; THENCE NORTH 44°43'31" WEST 85.217 METERS;
19 NORTH 44°59'37" EAST 30.147 METERS; THENCE SOUTH 68°41'51" EAST 87.733 METERS; THENCE NORTH 0°19'56"
20 EAST 330.451 METERS; THENCE NORTH 41°38'21" EAST 33.364 METERS; THENCE NORTH 8°56'17" EAST 34.493
21 METERS; THENCE NORTH 0°17'38" EAST 170.959 METERS; THENCE NORTH 50°32'08" WEST 219.840 METERS;
22 NORTH 48°25'53" WEST 272.535 METERS; THENCE NORTH 48°27'39" WEST 159.169 METERS; THENCE NORTH
23 47°03'36" WEST 240.647 METERS; NORTH 47°07'13" WEST 239.159 METERS; NORTH 47°27'01" WEST 37.477 METERS;
24 THENCE NORTH 0°27'37" EAST 175.676 METERS; THENCE SOUTH 86°53'36" WEST 42.698 METERS; SOUTH
25 76°50'08" WEST 60.686 METERS; THENCE SOUTH 80°44'27" WEST 24.562 METERS; THENCE SOUTH 84°50'51" WEST
26 49.973 METERS; THENCE NORTH 0°14'16" WEST 99.350 METERS TO THE SOUTHERLY LINE OF THE ORANGE
27 COUNTY FLOOD CONTROL DISTRICT, EAST GARDEN GROVE WINTERSBURG CHANNEL PER DEED RECORDED 6-
28 16-64 AS INSTRUMENT No. 15832, O.R.; THENCE, ALONG SAID SOUTHERLY LINE THE FOLLOWING TWO

EXHIBIT A

Bolsa Chica Legal Line

1 COURSES, SOUTH 63°40'21" WEST 454.372 METERS, TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY
 2 AND HAVING A RADIUS OF 517.550 METERS; THENCE WESTERLY 282.721 METERS ALONG SAID CURVE,
 3 THROUGH A CENTRAL ANGLE OF 31°17'56" TO IT'S INTERSECTION WITH THE NORTHEASTERLY LINE OF THE
 4 LAND DESCRIBED IN PARCEL 1 IN EXHIBIT A OF THE DEED TO THE STATE OF CALIFORNIA, RECORDED AUGUST
 5 17, 1973, IN BOOK 10855, PAGE 354, OF SAID OFFICIAL RECORDS, THENCE ALONG SAID NORTHEASTERLY LINE,
 6 THE FOLLOWING THREE COURSES, SOUTH 23°14'09" EAST 382.200 METERS, TO THE BEGINNING OF A CURVE,
 7 CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 228.600 METERS; THENCE EASTERLY 336.187 METERS
 8 THROUGH A CENTRAL ANGLE OF 84°15'40"; THENCE NORTH 72°30'11" EAST 154.584 METERS; THENCE, LEAVING
 9 SAID NORTHEASTERLY LINE, SOUTH 17°29'49" EAST 113.194 METERS; THENCE SOUTH 0°25'26" WEST 127.912
 10 METERS, TO THE BEGINNING OF A CURVE, CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 40.000
 11 METERS; THENCE SOUTHERLY 31.591 METERS THROUGH A CENTRAL ANGLE OF 45°15'02"; THENCE SOUTH
 12 44°49'36" EAST 1030.030 METERS; THENCE SOUTH 3°36'04" EAST 249.963 METERS; THENCE SOUTH 52°38'23"
 13 WEST 137.040 METERS; THENCE SOUTH 37°21'37" EAST 337.063 METERS; THENCE SOUTH 7°38'23" WEST 51.639
 14 METERS; THENCE SOUTH 52°31'42" WEST 83.445 METERS; TO THE NORTHEASTERLY RIGHT OF WAY LINE OF
 15 SAID PACIFIC COAST HIGHWAY; THENCE, ALONG SAID RIGHT OF WAY LINE, SOUTH 37°05'49" EAST 126.112
 16 METERS, TO THE TRUE POINT OF BEGINNING.



17
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19
20
21
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23
24 *Glenn Culver*

1/27/07

25 GLENN E. CULVER P.L.S. 5420

DATE

26 LICENSE EXPIRES 09/30/08

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EXHIBIT "A"

Rancho La

Orange County Flood Control
District, East Garden Grove
Wintersburg Channel per Deed Rec.
8-18-84 as Inst. No. 16832, O.R.

Bolsa Chica

Bk. 1; Pgs. 431-432 &

Bk. 2; Pgs. 332-333

Parcel 1 as described in
Deed to the State of
California, rec. 8-17-78 in
Bk. 10885, Pg. 384, O.R.

Pacific Coast Highway

of Patent Maps;

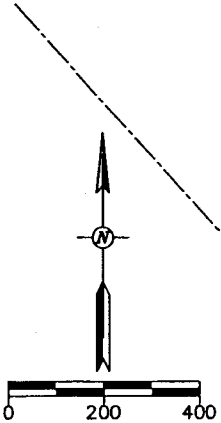
L.A. County

of Orange
Huntington Beach

P.O.B.
FD SPIKE & WASHER
STAMPED "LS 3347"
PER R.S. 98-1035

FD SPIKE & WASHER
STAMPED "LS 3347"
PER R.S. 98-1035

DETAIL "A"



LINE TABLE			
LINE	BEARING	LENGTH(m)	
L1	N00°17'41"E	0.558	
L2	N43°35'39"W	162.473	
L3	N37°05'49"W	53.663	
L4	N52°54'11"E	114.080	
L5	S81°29'27"E	59.594	
L6	N29°11'11"E	165.109	
L7	N00°26'40"E	635.314	
L8	N44°57'21"W	33.836	
L9	S45°26'36"W	26.466	
L10	N44°43'31"W	85.217	
L11	N44°59'37"E	30.147	
L12	S68°41'51"E	87.733	
L13	N00°19'56"E	330.451	
L14	N41°38'21"E	33.364	
L15	N08°56'17"E	34.493	
L16	N00°17'38"E	170.959	
L17	N50°32'08"W	219.840	
L18	N48°25'53"W	272.535	
L19	N48°27'39"W	159.169	
L20	N47°03'36"W	240.647	
L21	N47°07'13"W	239.159	
L22	N47°27'01"W	37.477	
L23	N00°27'37"E	175.676	
L24	S86°53'36"W	42.698	
L25	S76°50'08"W	60.686	
L26	S80°44'27"W	24.562	
L27	S84°50'51"W	49.973	
L28	N00°14'16"W	99.350	
L29	S63°40'21"W	454.372	
L30	S23°14'09"E	382.200	
L31	N72°30'11"E	154.584	
L32	S17°29'49"E	113.194	
L33	S00°25'26"W	127.912	
L34	S44°49'36"E	1030.030	
L35	S03°36'04"E	249.963	
L36	S52°38'23"W	137.040	
L37	S37°21'37"E	337.063	
L38	S07°38'23"W	51.639	
L39	S52°31'42"W	83.445	
L40	S37°05'49"E	126.112	

CURVE TABLE			
CURVE	DELTA	RADIUS(m)	LENGTH(m)
C1	6°29'50"	1704.451	193.281
C2	31°17'56"	517.550	282.721
C3	84°15'40"	228.600	336.187
C4	45°15'02"	40.000	31.591

THE CULVER GROUP

CONSULTING ENGINEERS- LAND SURVEYORS
CONSTRUCTION MANAGERS

12387 Lewis Street, Suite 201 GARDEN GROVE, CA. 92840
714/980-2160 Fax 714/980-2161

Revised 1/30/07

EXHIBIT A

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Kern

} ss.

On January 9, 2007

Date

before me,

Leona Marie Stark, Notary Public

Name and Title of Officer (e.g., "Jane Doe, Notary Public")

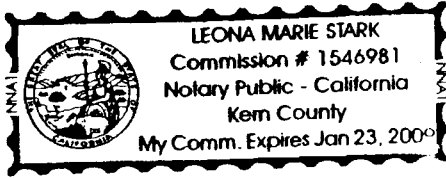
personally appeared

R. H. John

Name(s) of Signer(s)

[X] personally known to me

[] proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



Place Notary Seal Above

WITNESS my hand and official seal.

Leona Marie Stark

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Quitclaim Deed

Document Date: January 9, 2007

Number of Pages: 4

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer(s)

Signer's Name: J. H. John

- Individual
[] Corporate Officer — Title(s):
[] Partner — [] Limited [] General
[] Attorney in Fact
[] Trustee
[] Guardian or Conservator
[] Other:

RIGHT THUMBPRINT OF SIGNER Top of thumb here

Signer Is Representing:

Aera Energy LLC

Signer's Name:

- Individual
[] Corporate Officer — Title(s):
[] Partner — [] Limited [] General
[] Attorney in Fact
[] Trustee
[] Guardian or Conservator
[] Other:

RIGHT THUMBPRINT OF SIGNER Top of thumb here

Signer Is Representing:

Exhibit A

CERTIFICATE OF ACCEPTANCE AND CONSENT TO RECORDING
(Government Code 27281)

(Bolsa Chica Lowlands Restoration Project)

This is to certify that the interest in real property conveyed by the Quitclaim Deed to which this Certificate is attached dated January 9, 2007, from AERA ENERGY LLC to the CALIFORNIA STATE LANDS COMMISSION, an Agency of the STATE OF CALIFORNIA, is hereby accepted by the undersigned Executive Officer on behalf of the State Lands Commission, pursuant to authority conferred by action of the State Lands Commission adopted on _____, as Minute/Calendar Item No. _____, and the Grantee consents to recordation thereof by its Executive Officer.

STATE OF CALIFORNIA,
acting by and through the
CALIFORNIA STATE LANDS COMMISSION

Dated: _____

By: _____

PAUL D. THAYER
Executive Officer

ACKNOWLEDGMENT OF SIGNATURE TO BE ATTACHED

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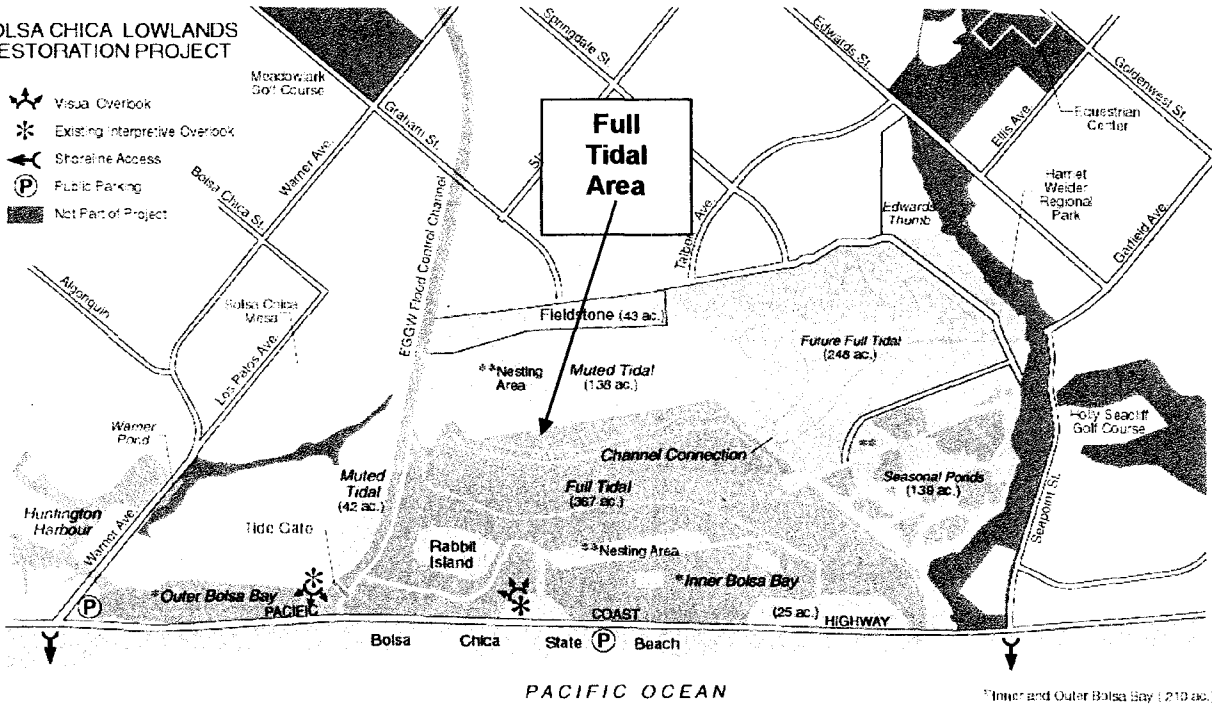
NO SCALE

SITE



BOLSA CHICA LOWLANDS RESTORATION PROJECT

- Visual Overlook
- Existing Interpretive Overlook
- Shoreline Access
- Public Parking
- Not Part of Project



Bolsa Chica Wetlands Steering Committee

*Inner and Outer Bolsa Bay (210 ac.)
 **Nesting Areas (20 ac.)

July 2003

BOLSA CHICA LOWLANDS RESTORATION PROJECT

NO SCALE

LOCATION

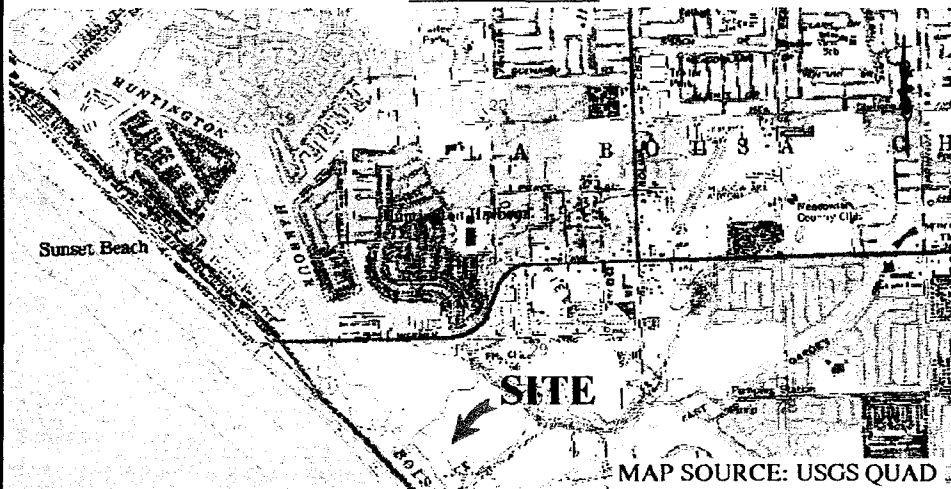
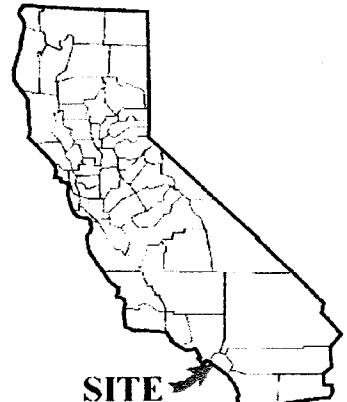


Exhibit B
W25306
BOLSA CHICA
ORANGE COUNTY



This exhibit is solely for purposes of generally showing the area, is based on unverified information, and is not intended to be, nor shall it be construed as a waiver or limitation of any State interest in the subject or any other property.

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