

**CALENDAR ITEM
C35**

A 35
S 18

08/20/10
PRC 7163.1
D. Simpkin

REVISION OF RENT

LESSEE:

Exxon Mobil Corporation
P.O. Box 4358
Houston, TX 77210

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, offshore near El Capitan State Beach,
Santa Barbara County.

AUTHORIZED USE:

Continued use and maintenance of pipelines transporting crude oil/water emulsion and a treated water outfall line and power cables between the Las Flores Marine Terminal facility and the Lessee's Santa Ynez Unit offshore platforms.

LEASE TERM:

34 years, beginning February 1, 1988.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$137,000 per year to \$161,700 per year, effective February 1, 2011.

OTHER PERTINENT INFORMATION:

1. On January 21, 1988, the Commission authorized a General Lease – Right of Way Use with the Exxon Corporation for a term of 34 years. The Lessee is now known as Exxon Mobile Corporation. This lease will expire on January 31, 2022.
2. The pipelines were inspected in 2006, pursuant to Federal guidelines under the review of the U.S. Bureau of Ocean Energy Management, Regulation and

CALENDAR ITEM NO. **C35** (CONT'D)

Enforcement (formerly Minerals Management Service), and the California State Lands Commission Division of Mineral Resources Management.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

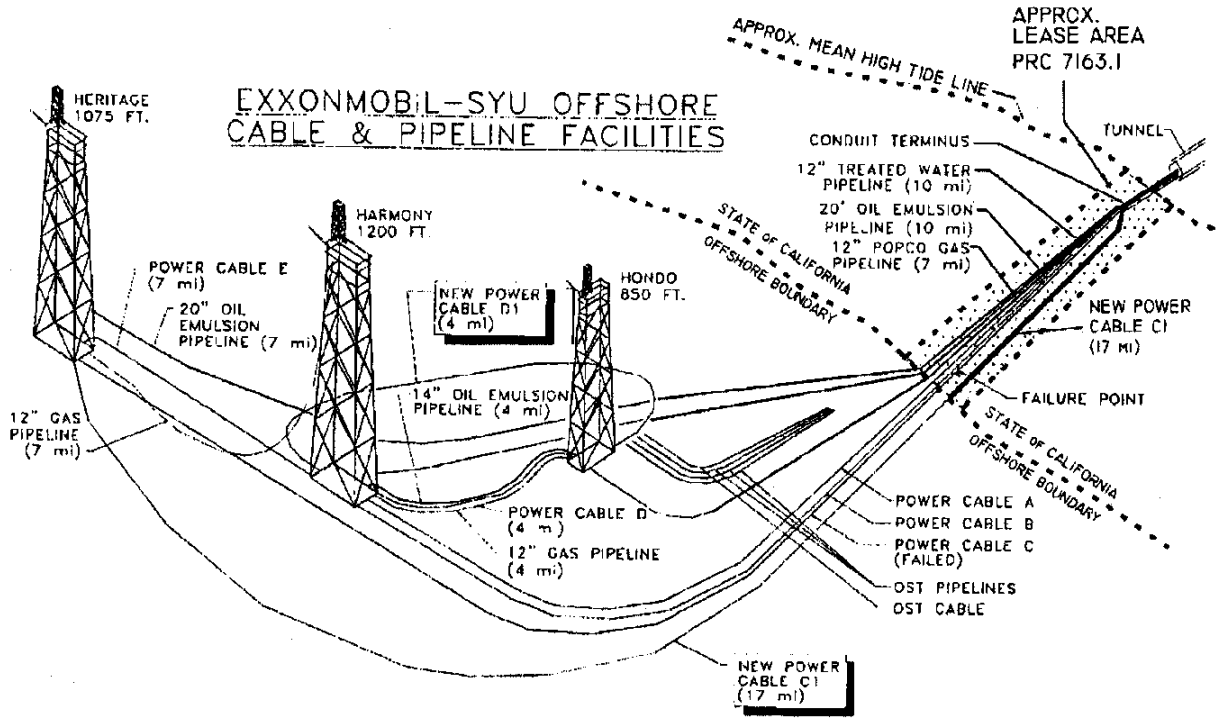
Find that the activity is not subject to the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15060(c)(3) because the activity is not a project as defined by Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 7163.1 from \$137,000 to \$161,700 per year, effective February 1, 2011.

NO SCALE

SITE MAP



Exxon Mobil Corporation
Offshore of El Capitan State Beach, Santa Barbara County

LOCATION MAP NO SCALE

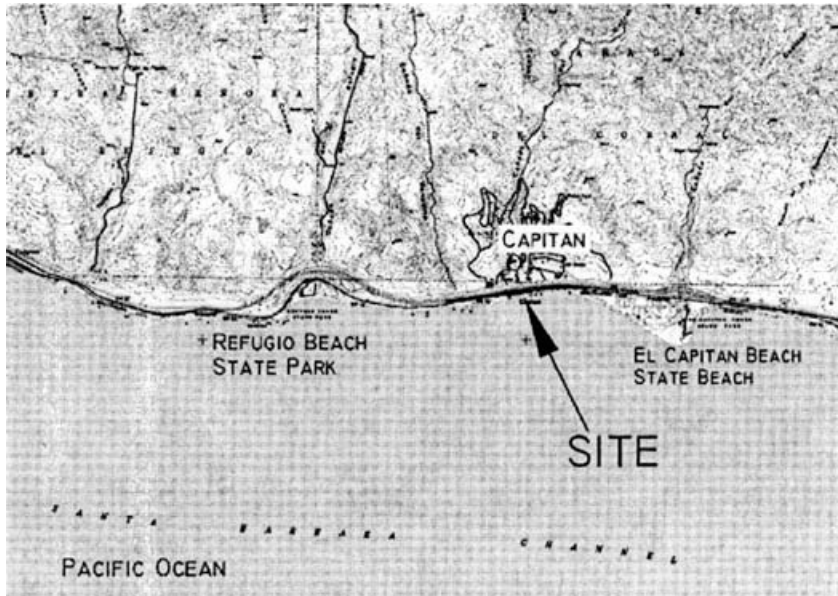


Exhibit A
WP 7163.1
Lease Amendment
Exxon Mobil Corp.
El Capitan State Beach,
Santa Barbara County



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the lessee or other parties 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.
MAP SOURCE: USGS QUAD

RAB 02-03