

MINUTE ITEM

11/21/74
GWG

24. APPROVALS OF RESUMPTIONS OF DRILLING OPERATIONS ON STATE OIL AND GAS LEASES PRC 3095 (BELMONT OFFSHORE FIELD, ORANGE COUNTY), PRC'S 3150 AND 4000 (CARPINTERIA OFFSHORE FIELD, SANTA BARBARA COUNTY), AND PRC 1824 (SUMMERLAND OFFSHORE FIELD, SANTA BARBARA COUNTY); STANDARD OIL COMPANY OF CALIFORNIA - W 9732, W 9741, PRC 3095, PRC 3150, PRC 4000, PRC 1824.

During consideration of Calendar Items 22, 23 and 24 attached, Messrs. E. N. Gladish, Executive Officer, State Lands Commission, and Donald J. Everitts, Manager, Energy and Mineral Resources Development, summarized the history of the leases under consideration, including the present negative declarations; the 1969 blowout on the Federal lease in the Santa Barbara Channel; and the moratorium on State leases which immediately followed. As a result of the moratorium, new drilling and production procedures were adopted by the Commission. After review of the new procedures, the Commission decided to lift the moratorium in December 1973. The applications before the Commission have met the new requirements and are requesting approval to resume drilling operations from existing facilities. Mr. Gladish stated that successful development of these leases has been underway for many years, making the State's track record good. He added that over 1,400 wells have been drilled without serious incident. The new procedures have evolved from many years' experience, and it is felt that the clean up and containment equipment is the best available. He indicated it is the staff's recommendation that the applications be approved, and that the Executive Officer be authorized to issue the necessary permits to complete development of the subject leases.

At this time, Mr. Gladish submitted the following pieces of correspondence for the record which were received in the office of the State Lands Commission. These pieces of correspondence are on file in the office of the Commission and by reference made a part hereof.

1. Letter from Francis Sarguis, President, Get Oil Out!, Inc., to E. N. Gladish, Executive Officer, State Lands Commission, dated October 2, 1974.
2. Letter from Mrs. George M. Sidenberg, Jr., President, Carpinteria Valley Association, to State Lands Commission, dated November 14, 1974.
3. Letter from H. Edwin Lyon, President, Allied Construction and Engineering Company to Mr. E. N. Gladish, Executive Officer, State Lands Division, dated November 7, 1974.
4. Letter from William P. Gawzner, President, Miramar on the Beach, to State Lands Commission, State Lands Division, dated October 16, 1974.
5. Telegram from Honorable Gary K. Hart, 35th Assemblyman-Elect, received by telephone on November 20, 1974.

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6. Letter from Kenneth G. Hahn, Executive Secretary, Ventura County Building and Construction Trades Council, to State Lands Commission, Attn.: E. N. Gladish, dated November 15, 1974.
7. Letter from Paul D. Nefstead, Environmental Hearing Officer and Staff Assistant to the Environmental Quality Advisory Board, to E. N. Gladish, Executive Officer, State Lands Commission, dated November 20, 1974.

Appearances in Opposition:

Ms. Cindy Sage, Environmental Specialist, representing the Office of Environmental Quality, County of Santa Barbara. Ms. Sage read into the record a letter from Mr. Albert F. Reynolds, Environmental Quality Coordinator from the Office of Environmental Quality, County of Santa Barbara, to Mr. E. N. Gladish, dated November 19, 1974.

Mr. A. Barry Cappello, City Attorney, representing the City of Santa Barbara. Mr. Cappello read into the record his letter to the State Lands Commission, State Lands Division, Attn.: E. N. Gladish, dated November 20, 1974.

Ms. Prem L. Hunji, Field Representative, representing the Office of Senator Omer L. Rains, 18th Senatorial District, California State Legislature. Ms. Hunji read into the record Senator Rains' statement to the State Lands Commission dated November 21, 1974.

William Gesner, representing Get Oil Out!, Inc. Mr. Gesner read into the record his statement dated November 21, 1974.

The above-referred-to documents are on file in the office of the State Lands Commission and by reference made a part hereof.

Appearance in Favor:

R. W. Mansfield, Legislative Advocate, representing the State Building Trades Council.

While considering the calendar items, the Commissioners had the following-listed reports and documents before them for their information:

1. "PICE CO-OP Oil Spill Contingency Plan" by Petroleum Industry Coastal Emergency Cooperative, dated July, 1973.
2. "Oil Spill Cleanup Manual" by Clean Seas, Inc., dated May 22, 1974.
3. "Oil Spill Contingency Plan Rincon-Ferguson Piers, State Lease No. PRC 427" by Mobil Oil Corporation, dated July 2, 1974.
4. "Environmental Contingency Plan" by Standard Oil Company of California, Western Operations Producing Department, dated October 1974.

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5. State Lands Division File W 9741, "Standard Oil Company of California, Resumption Drilling Operations P 3095, Orange County, for Public Inspection".
6. State Lands Division File W 9735, "Mobil Oil Corporation, Resume Drilling P 1824, 3150 and 4000, Santa Barbara County, for Public Inspection".
7. State Lands Division File W 9732, "Standard Oil Company of California, Resume Drilling PRC 427, Ventura County, for Public Inspection".
8. "SOCAL Offshore Drilling Platforms Earthquake Design Criteria for Existing Santa Barbara Channel Facilities" by G. F. Borrmann, dated November 20, 1974.
9. Final Environmental Impact Report (EIR 169), "Resumption of Drilling Operations in the South Ellwood Offshore Oil Field from Platform Holly", Volumes I, II and III, prepared for the State Lands Commission by Dames and Moore, November 1974.
10. "Supplemental Plan of Operations, Santa Inez Unit, Humble Oil and Refining Company" dated August 10, 1972.
11. "Design Construction and Installation of the Initial Platform Proposed for Installation in 850 feet of Water on the OCS P-0188".

The above-listed reports and documents are on file in the office of the State Lands Commission and by reference made a part hereof.

A transcript of the proceedings is on file in the office of the State Lands Commission and by reference made a part hereof.

After all the testimony had been received, the Commission adopted the calendar items.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT ENVIRONMENTAL IMPACT REPORTS HAVE NOT BEEN PREPARED FOR THESE PROJECTS BUT THAT NEGATIVE DECLARATIONS HAVE BEEN PREPARED BY THE DIVISION.
2. CERTIFIES THAT THE NEGATIVE DECLARATIONS (ND EIR's 164, 165 AND 166) HAVE BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

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3. DETERMINES THAT THE PROJECTS WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZES THE RESUMPTION OF DRILLING OPERATIONS FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASES PRC 3095, 3150, 4000 AND 1824, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LEASE AND THE RULES AND REGULATIONS OF THE STATE LANDS COMMISSION.

Attachment:

Calendar Items 22, 23 and 24 (6 pages)

COMMISSION RESOLUTIONS RELATING ONLY TO PRC's 3150, 4000 AND 1824 OF MINUTE ITEM 24, MEETING OF NOVEMBER 21, 1974, ARE RESCINDED BY MINUTE ITEM 6, MEETING OF JANUARY 14, 1975. *dj*

CALENDAR ITEM

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W 9741

22.

APPROVAL OF RESUMPTION OF DRILLING OPERATIONS
ON STATE OIL AND GAS LEASE PRC 3095.1
BELMONT OFFSHORE FIELD, ORANGE COUNTY

LEASE: PRC 3095.1.
LESSEE: Standard Oil Company of California.
COUNTY: Orange.
AREA: Belmont Offshore Field.

PERTINENT INFORMATION:

The purpose of the project is to complete the development of oil and gas reserves in known reservoirs underlying the subject lease from the existing filled offshore Island "Esther." The productive limits of these reservoirs and the geology of the lands underlying the developed portion of the lease in question are fully known as a result of prior drilling operations.

Present geological information establishes that a total of 20 new wells would be the maximum number required to develop the known reservoirs and can be accomplished using existing well locations on Island "Esther". In no event will the total number of wells drilled from the two platforms exceed 20.

The proposed work would be accomplished with one drilling rig, with the intent to drill all wells in a sequence, then remove the rig from the island. Operations on the filled island will be essentially the same as those performed on-shore, except for water access. Island "Esther" was constructed so as to prevent any spillage of oil from the island into the ocean and is equipped with two catchment cellars which have a total capacity of 9,300 barrels. In addition the island is equipped with emergency oil-spill cleanup equipment.

The project will be conducted in accordance with the procedures for drilling and production operations, and rules and regulations of the State Lands Commission and the State Division of Oil and Gas.

ENVIRONMENTAL IMPACT:

In accordance with the State Guidelines for Implementation of the California Environmental Quality Act of 1970, as amended, a negative declaration has been prepared and circulated to concerned agencies and to the public.

CALENDAR ITEM NO. 22, (CONTD)

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.
2. CERTIFY THAT THE NEGATIVE DECLARATION (ND EIR 164) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZE THE RESUMPTION OF DRILLING OPERATIONS FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASE PRC 3095.1, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LEASE AND THE RULES AND REGULATIONS OF THE STATE LANDS COMMISSION.

CALENDAR ITEM

23.

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W 9732

APPROVAL OF RESUMPTION OF DRILLING OPERATIONS
ON STATE OIL AND GAS LEASES PRC 3150.1 AND PRC 4000.1
CARPINTERIA OFFSHORE FIELD, SANTA BARBARA COUNTY

LEASES: PRC 3150.1 and PRC 4000.1.
LESSEE: Standard Oil Company of California.
COUNTY: Santa Barbara.
AREA: Carpinteria Offshore Field.

PERTINENT INFORMATION:

The purpose of the project is to complete the development of oil and gas reserves in known reservoirs underlying the subject leases from the two existing Platforms "Hope" and "Heidi". The productive limits of these reservoirs and the geology of the lands underlying the developed portion of the leases in question are fully known as a result of prior drilling operations.

Present geological information establishes that a total of 20 new wells would be the maximum number required to develop the known reservoirs and can be accomplished using existing well locations on the platforms. In no event will the total number of wells drilled from the two platforms exceed 20. The proposed work would be accomplished with one drilling rig, which would be installed first at Platform "Heidi" and subsequently moved to Platform "Hope". The program will require no additional production facilities on the platforms, no additional pipelines, and no additional onshore facilities.

The project will be conducted in accordance with the procedures for drilling and production operations, and rules and regulations of the State Lands Commission and the State Division of Oil and Gas.

ENVIRONMENTAL IMPACT:

In accordance with the State Guidelines for Implementation of the California Environmental Quality Act of 1970, as amended, a negative declaration has been prepared and circulated to concerned agencies and to the public.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.
2. CERTIFY THAT THE NEGATIVE DECLARATION (ND EIR 166) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZE THE RESUMPTION OF DRILLING OPERATIONS FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASES PRC 3150.1 AND PRC 4000.1, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LEASES, AND THE RULES AND REGULATIONS OF THE STATE LANDS COMMISSION.

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W 9732

24.

APPROVAL OF RESUMPTION OF DRILLING OPERATIONS
ON STATE OIL AND GAS LEASE PRC 1824.1
SUMMERLAND OFFSHORE FIELD, SANTA BARBARA COUNTY

LEASE: PRC 1824.1.
LESSEE: Standard Oil Company of California.
COUNTY: Santa Barbara.
AREA: Summerland Offshore Field.

PERTINENT INFORMATION:

The purpose of the project is to complete the development of the oil and gas reserves in the reservoirs underlying the subject lease from the two existing Platforms "Hilda" and "Hazel". The limits of these reservoirs and the geology of the lands underlying the developed portion of the lease in question are known as a result of prior drilling operations.

Present geological information establishes that a total of 16 new wells would be the maximum number required to develop those reservoirs and can be accomplished using existing well locations on the platforms. In no event will the total number of wells drilled from the two platforms exceed 16. The proposed work would be accomplished with one drilling rig, which would be installed first at Platform "Hilda" and subsequently moved to Platform "Hazel". The program will require no additional production facilities on the platforms, no additional pipelines, and no additional onshore facilities.

The project will be conducted in accordance with the procedures for drilling and production operations, and rules and regulations of the State Lands Commission and the State Division of Oil and Gas.

ENVIRONMENTAL IMPACT:

In accordance with the State Guidelines for Implementation of the California Environmental Quality Act of 1970, as amended, a negative declaration has been prepared and circulated to concerned agencies and to the public.

EXHIBIT: A. Location Map.

CALENDAR ITEM NO. 24. (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.
2. CERTIFY THAT THE NEGATIVE DECLARATION (ND EIR 165) HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. AUTHORIZE THE RESUMPTION OF DRILLING OPERATIONS FROM EXISTING FACILITIES ON STATE OIL AND GAS LEASE PRC 1824.1, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE LEASE AND THE RULES AND REGULATIONS OF THE STATE LANDS COMMISSION.