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RESUMPTION OF DRILLING OPERATIONS.

ARCO Oil and Gas Company has made application to the State Lands Commission for permission to resume drilling operations under State Oil and Gas Leases PRC 308.1 and PRC 309.1, Santa Barbara County.

The proposed project is to redrill 1 to 3 existing wells originally completed as ocean-floor producers and to drill 1 to 5 new ocean-floor wells to evaluate the hydrocarbon potential of the Monterey formation in the southerly (seaward) portion of the lease. Inasmuch as the proposed program will involve drilling from a mobile offshore drilling unit, and there is a substantial body of opinion that considers such operations as naving an adverse effect upon the environment, it will be necessary to prepare an EIR for the project.

The State Lands Commission will serve as the lead agency in the preparation of the EIR. It is proposed to solicit proposals from private consulting organizations for preparation of the environmental document, and award a contract to the lowest qualified bidder. The Request for Proposals (RFP) will specifically advise consultants that existing environmental data be utilized and referenced.

The applicant will be required to pay all costs for the preparation of the EIR, pursuant to Section 2909 of the California Administrative Code.

EXHIBIT:

Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- AUTHORIZE ISSUANCE OF A REQUEST FOR PROPOSALS COVERING PREPARATION OF AN EIR FOR THE RESUMPTION OF DRILLING OPERATIONS UNDER STATE OIL AND GAS LEASES PRC 308.1 AND PRC 309.1, SANTA BARBARA COUNTY.
- AUTHORÍZE THE EXECUTIVE OFFICER TO AWARD A CONTRACT FOR PREPARATION OF THE EIR TO THE LOWEST QUALIFIED BIDDER.

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EXHIBIT A STATE LANDS COMMISSION

Resymption of Drilling Operations
PRC 308.1 & PRC 309.1

ARCO O'L AND GAS COMPANY SANTA BARBARA COUNTY

