

STATE OF CALIFORNIA

Minutes of the meeting of 6/29/82
of the State Lands Commission
Sacramento, California

APPEARANCES

Commissioners Present

Kenneth Cory, State Controller, Chairman
David Ackerman, Commission-Alternate for Mike Curb,
Lieutenant Governor
Susanne Morgan, Commission-Alternate for Mary Ann
Graves, Director of Finance

Staff Members in Attendance

Claire T. Dedrick, Executive Officer
James F. Trout, Assistant Executive Officer
R. C. Hight, Chief Counsel
R. S. Golden, Chief, Division of Land Management
and Conservation
D. J. Everitts, Chief, Division of Energy and
Mineral Resources Development
W. M. Thompson, Chief, Division of Long Beach
Operations
D. E. Sanders, Chief, Planning and Environmental
Coordination

Representing the Office of the Attorney General

N. Gregory Taylor, Assistant Attorney General
Jan Stevens, Assistant Attorney General

Regarding Minute Item 18:

Mr. Mathew Hudson, Attorney, representing Natalie
Miller.

MINUTES OF THE STATE LANDS COMMISSION
MEETING OF

6/29/82

The regular meeting of the State Lands Commission was called to order by Chairman Ken Cory at 10:40 a.m., 722 Capitol Mall, in Room 4061, Sacramento, California.

Also present were Dave Ackerman, Commission Alternate, representing Mike Curb, Lieutenant Governor, Commissioner, and Susanne Morgan, Commission Alternate, representing Mary Ann Graves, Director of Finance, Commissioner.

The minutes of the meeting of 5/27/82 were approved as presented.

EXECUTIVE OFFICER'S REPORT:

Attached as Exhibit "A".

STAFF REPORT ON COASTAL MATTERS:

Attached as Exhibit "B".

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JUNE 29, 1982

EXECUTIVE OFFICER'S REPORT

BY

CLAIRE T. DEDRICK

LETTER OF PERMISSION - COUNTY OF DEL NORTE

PN CE SF 82-14606-36
PRC 6175

A LETTER OF PERMISSION WAS GRANTED TO THE COUNTY OF DEL NORTE IN ADVANCE OF A ROUTINE PERMIT, TO ENTER UPON TIDE AND SUBMERGED LAND IN THE PACIFIC OCEAN, CRESCENT CITY, DEL NORTE COUNTY, TO CONSTRUCT BANK PROTECTION DURING THE CURRENT LOW TIDES, THE ONLY PERIOD DURING WHICH THE WORK CAN BE ACCOMPLISHED.

THEY HAVE AGREED TO APPLY FOR A PERMIT WITHIN THIRTY (30) DAYS.

ALL OTHER PERMITS HAVE BEEN OBTAINED FROM THE AGENCIES WITH JURISDICTION OVER THIS PROJECT.

THIS IS A CATEGORICAL EXEMPTION BECAUSE IT INVOLVES A MINOR ALTERATION IN THE CONDITION OF LAND AND WATER. AUTHORITY: 24 CAL., DIV. 6, SEC. 15104.

STATUS OF EXXON DRILLING

PRC 186

AT THE APRIL 1982 MEETING, THE COMMISSION APPROVED A DEFERMENT OF THE DRILLING OBLIGATION UNDER STATE OIL AND GAS LEASE, PRC 186 WITH THE CONDITION THAT STAFF REPORT

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ON THE PROGRESS MADE BY EXXON IN ATTEMPTING TO RESOLVE THE PROBLEM OF UNSATISFACTORY WELL PRODUCTIVITY, WHICH IS DELAYING FURTHER DEVELOPMENT DRILLING OF THE "237" ZONE. EXXON PERFORMED A MASSIVE HIGH PRESSURE ACID STIMULATION JOB ON RECENTLY COMPLETED WELL #130, AND ARE PRESENTLY MONITORING THE RESULTS. PRIOR PRODUCTION OF 10 B/D HAS BEEN INCREASED TO ABOUT 60 B/D, HOWEVER, THIS IS STILL NOT SUFFICIENT TO ECONOMICALLY JUSTIFY FURTHER DRILLING. EXXON IS PLANNING TO RUN A PRESSURE BUILD-UP SURVEY TO FURTHER ANALYZE THE RESERVOIR AND HELP DETERMINE POSSIBLE FURTHER STIMULATION.

STAFF REPORT ON COASTAL MATTERS

TWO MAJOR ITEMS AFFECTING THE STATE LANDS COMMISSION WERE DEALT WITH BY THE STATE COASTAL COMMISSION DURING JUNE.

W 9601

NATIVE SUN INVESTMENT GROUP

THE PROJECT AS PROPOSED WAS FOR A MINOR SUBDIVISION OF A 7.65 ACRE PARCEL INTO THREE PARCELS AND THE CONSTRUCTION OF 14 CONDOMINIUMS ON ONE OF THESE PARCELS. THE PROJECT IS LOCATED BETWEEN PACIFIC COAST HIGHWAY AND THE OCEAN ADJACENT TO BUENA VISTA LAGOON IN CARLSBAD, SAN DIEGO COUNTY.

W 503.1197

W 503.1198

ADJACENT TO THE 7.65 ACRE PARCEL IS A 2.65 ACRE PARCEL (TENAGLIA PARCEL) WHICH IS LEGALLY LISTED AS OWNED BY NATIVE SUN INVESTMENT GROUP BUT WHICH IS THE SUBJECT OF LITIGATION INVOLVING NATIVE SUN, TITLE INSURANCE AND TRUST AND THE STATE LANDS COMMISSION.

COASTAL STAFF RECOMMENDED APPROVAL OF THE 14 CONDOMINIUMS WITH THE CONDITION THAT THE LOWLAND PORTION OF THE 7.65 ACRE PARCEL AND ALL OF THE TENAGLIA PARCEL BE MADE SUBJECT TO AN OPEN SPACE EASEMENT. NATIVE SUN INVESTMENT MAINTAINED THAT THEY COULD NOT FULFILL THIS CONDITION AS THEY DID NOT HAVE SUFFICIENT LEGAL INTEREST IN THE TENAGLIA PARCEL TO CONDITION IT AS REQUIRED.

THE COASTAL COMMISSION AFTER AN EXTENDED HEARING, LASTING MORE THAN TWO HOURS, GAVE NATIVE SUN THE OPTION OF ACCEPTING

(Non-substantive revision 11/8/82)

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STAFF RECOMMENDATION (14 CONDOMINIUMS AND OPEN SPACE EASEMENTS OVER THE LOWLAND PORTIONS OF THEIR PROPERTY INCLUDING THE TENAGLIA PARCEL) OR A PROJECT OF 10 CONDOMINIUMS WITHOUT DEDICATION OF THE TENAGLIA PARCEL.

IN A SETTLEMENT OFFER TO THE STATE CONCERNING OUR CLAIMS IN THE TENAGLIA PARCEL, NATIVE SUN CONDITIONED ITS OFFER ON THE APPROVAL OF THEIR 14 UNIT PROJECT BY THE COASTAL COMMISSION. FURTHER NEGOTIATIONS ARE PROCEEDING TO SEE IF A SETTLEMENT OF THIS SUIT IS POSSIBLE SINCE THE COASTAL COMMISSION DID NOT APPROVE THEIR PERMIT IN THE FORM REQUESTED.

BOLSA CHICA AREA LAND USE PLAN

A FURTHER PUBLIC HEARING ON THIS CONTROVERSIAL LAND USE PLAN CONSUMED THE WHOLE DAY (JUNE 18). AT THE CONCLUSION OF TESTIMONY (OVER 90 SPEAKERS) THE PUBLIC HEARING WAS CLOSED.

THE LEGISLATURE IS DUE TO ACT IMMINENTLY ON A BILL WHICH WOULD EXCLUDE THIS AREA FROM COASTAL COMMISSION JURISDICTION. IF THIS BILL IS FAILED PASSAGE IT IS EXPECTED THAT THE COMMISSION WILL APPROVE OR DENY THE LAND USE PLAN PROBABLY IN AUGUST OR SEPTEMBER.

OTHER MATTERS OF INTEREST WERE AN HOUR LONG PRESENTATION BY THE PETROLEUM INDUSTRY OF THEIR DRILLING PLANS OFFSHORE CALIFORNIA FOR THE PERIOD 1982-1987 AND APPROVAL OF A PERMIT TO ARCO TO PLACE A SEEP CONTAINMENT DEVICE FOR THE PURPOSE OF CAPTURING NATURAL OIL SEEP PRODUCTS FROM A MAJOR SEEP AREA IN THE SANTA BARBARA CHANNEL.

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RECORD OF ACTION TAKEN BY THE
STATE LANDS COMMISSION
AT ITS MEETING OF 6/29/82

During the meeting, the recommendations of the staff relative to Calendar Items C1, C2, C4, C5, C6, C7, C8, C9, C10, C11, C12, C13, C14, C15, C16, C17, 20, 21, 23, 24, 25, 27, 28, 29, 30, 31, 33, 34, 35, and 36 were adopted as resolutions of the Commission by unanimous vote.

Commission action on Calendar Items 18, 37 and 38, are set forth on pages 1560, 1658, 1661.

Calendar items C3, 19, 22, 26 and 32, were withdrawn from the agenda prior to the meeting.