

MINUTE ITEM
This Calendar Item No. 325
was approved as Minute Item
No. 322 by the State Lands
Commission by a vote of 2
to 0 at its 10/29/90
meeting.

CALENDAR ITEM

C 2 5

A 35, 37

S 18

10/29/90
PRC 2920
Nitsche

DEFERMENT OF DRILLING OBLIGATION
STATE OIL AND GAS LEASE PRC 2920
SANTA BARBARA COUNTY

APPLICANT: Shell Western E&P, Inc. (SWEPI)
P. O. Box 11164
Bakersfield, California 93389-1164

AREA, TYPE AND LOCATION OF STATE LAND.
State oil and gas lease PRC 2920 contains
approximately 4,250.14 acres of submerged lands
located in the Molino area, Santa Barbara
County.

LEASE INFORMATION:

The lease was issued on August 28, 1962 to Standard Oil Company
of California, (now Chevron U.S.A., Inc.); and Shell Oil
Company, (now SWEPI), for a cash bid bonus bid of
\$14,080,713 82. SWEPI is the operator of this lease.

By letter dated August 20, 1990, SWEPI Inc. is requesting a
two-year deferment of drilling obligations commencing October 1,
1989 (six months after cessation of production) through
September 30, 1991. This drilling deferment would allow SWEPI
to evaluate other development scenarios.

CALENDAR ITEM NO. C 2 5 (CONT'D)

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21056 and 14 Cal. Code Regs. 15378.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. APPROVE A DEFERMENT OF THE DRILLING OBLIGATION UNDER STATE OIL AND GAS LEASE PRC 2920 COMMENCING OCTOBER 1, 1989 THROUGH SEPTEMBER 30, 1991.

EXHIBIT "A"
 STATE LANDS COMMISSION
 PRC 2920
 DEFERMENT OF DRILLING OBLIGATION
 SHELL WESTERN E & P INC.
 SANTA BARBARA COUNTY

