MINUTE ITEM

This Calendar Item No. $\frac{2}{5}$ was approved as Minute Item No. <u>15</u> by the California State Lands Commission by a vote of <u>2</u> to <u>-9</u> at its <u>7-1/-97</u> meeting.

CALENDAR ITEM

- A 35
- S 18

07/11/97 PRC 2739.1 PRC 2932.1 PRC 3073.1 PRC 3233.1 B. Dugal

CONSIDER APPROVAL OF ASSIGNMENT OF INTEREST IN RIGHT-OF-WAY LEASE NOS. PRC 2739.1, PRC 2932.1, PRC 3073.1, AND PRC 3233.1

LESSEE/ASSIGNOR:

Atlantic Richfield Company (ARCO) Land Department P. O. Box 260808 Plano, Texas 75086-0808

ASSIGNEE:

CH-Twenty, Inc. 444 South Flower Street Los Angeles, California 90071

AREA, LAND TYPE, AND LOCATION:

Right-of-Way Lease Nos. PRC 2739.1, PRC 2932.1, and PRC 3073.1 and PRC 3233.1 consist of a total of 26 acres, more or less, of sovereign lands in Santa Barbara Channel in the Pacific Ocean, located near Coal Oil Point and Gaviota, Santa Barbara County.

AUTHORIZED USE:

The Right-of-Way Leases are for the continued use and maintenance of existing submarine pipelines which serve various oil and gas operations in the Pacific Ocean.

LEASE TERM:

No. PRC 2739.1 - 49 years, beginning May 25, 1961 No. PRC 2932.1 - 49 years, beginning September 12, 1962 No. PRC 3073.1 - 49 years, beginning November 21, 1963 No. PRC 3233.1 - 49 years, beginning January 28, 1965

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CALENDAR ITEM NO. C15 (CONT'D)

CONSIDERATION:

No. PRC 2739.1 - \$213.05 per year No. PRC 2932.1 - \$332.02 per year No. PRC 3073.1 - \$156.24 per year No. PRC 3233.1 - \$68.18 per year

OTHER PERTINENT INFORMATION:

- 1. Assignee has a right to use the uplands adjoining the lease premises.
- 2. ARCO is the current lessee of the Right-of-way Lease Nos. PRC 2739.1, PRC 2932.1, and PRC 3073.1, PRC 3233.1. Pursuant to a reorganization of its operations in the United States, ARCO is proposing to transfer certain assets to its subsidiary, CH-Twenty, Inc. This transfer includes the proposed assignment of the Right-of Way lease Nos. PRC 2739.1, PRC 2932.1, PRC 3073.1 and PRC 3233.1.
- 3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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 the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Site map PRC 2739.1
- B. Site map PRC 2932.1
- C. Site map PRC 3073.1
- D. Site map PRC 3233.1

PERMIT STREAMLINING ACT DEADLINE: N/A.

N/A.

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RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE ASSIGNMENT OF LEASE NOS. PRC 2739.1, PRC 2932.1, PRC 3073.1 AND PRC 3233.1, OF THE LANDS SHOWN ON EXHIBITS A, B, C AND D ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; FROM ATLANTIC RICHFIELD COMPANY TO CH-TWENTY, INC., EFFECTIVE DECEMBER 27, 1996.

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