MINUTE ITEM

This Calendar Item No. <u>Cl2D</u> was approved as Minute Item No. <u>L2D</u> by the California State Lands Commission by a vote of <u>2</u> to <u>C</u> at its <u>L-19 - 98</u> meeting.

CALENDAR ITEM

A 8, 10, 15, 17

S 4, 5, 7

06/19/98 E-415.1 A. Nitsche

CONSIDER APPROVAL OF AN ASSIGNMENT OF INTEREST IN AGREEMENT FOR EASEMENT 415.1 CONTRA COSTA, SACRAMENTO, SAN JOAQUIN, AND SOLANO COUNTIES

ASSIGNOR:

Chevron U.S.A., Inc. Attn.: Roger M. Buelow P. O. Box 1392 Bakersfield, California 93302

ASSIGNEE:

Vintage Petroleum, Inc. Attn.: Peter A. D'Alessandro 4200 One Williams Center Tulsa, Oklahoma 74172

AREA, LAND TYPE, AND LOCATION:

Agreement for Easement 415.1 encompasses portions of the beds of the Sacramento, San Joaquin, Mokelumne, Old and False Rivers and other tide and submerged lands within the area described by Agreement for Easement 415.1 dated June 3, 1940.

BACKGROUND:

An Agreement for Easement 415.1, covering approximately 2,827 acres of sovereign land of the State in the Rio Vista Gas Field, Contra Costa, Sacramento, San Joaquin and Solano Counties, was issued, pursuant to competitive public bidding, for a term of 20 years on June 3, 1940, to the Standard Oil Company of California, now Chevron U.S.A., Inc. Section 2(o) of the agreement provides, in part, that the holder of the easement may not assign, transfer or sublet its interest, without the prior consent, in writing, of the State. Chevron U.S.A., Inc. is now requesting that the California State Lands Commission approve assignment of 100 percent interest in this agreement to Vintage Petroleum, Inc.

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STATUTORY AND OTHER REFERENCES:

- A. Section 2(o) of the Lease.
- B. Public Resources Code section 6804.

OTHER PERTINENT INFORMATION

1. 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.

- 2. Assignment forms have been executed by Chevron U.S.A., Inc. and Vintage Petroleum, Inc. and prerequisite filing fees have been paid by Vintage Petroleum, Inc.
- 3. Vintage Petroleum, Inc., has submitted corporate and financial data which were reviewed by Commission staff. Based on the results of the reviews, Commission staff has determined that Vintage Petroleum, Inc., possesses the financial resources to meet the requirements and obligations under the terms of Agreement for Easement 415.1.

EXHIBIT:

A. Location Map.

PERMIT STREAMLINING ACT DEADLINE:

N/A

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

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CALENDAR ITEM NO. C120 (CONT'D)

SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

CONSENT TO THE ASSIGNMENT OF 100 PERCENT INTEREST IN AGREEMENT FOR EASEMENT 415.1 FROM CHEVRON U.S.A. PRODUCTION COMPANY TO VINTAGE PETROLEUM, INC., WITH THE ASSIGNEE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THE AGREEMENT.

AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTIVE ALL DOCUMENTS TO AFFECT THIS ASSIGNMENT.



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