MINUTE ITEM

This Calendar Item No. <u>6/25</u> was approved as Minute Item No. <u>125</u> by the California State Lands Commission by a vote of <u>3</u> to <u>6</u> at its <u>6-19-98</u> meeting.

CALENDAR ITEM C125

Α	36	06/19/98
		PRC 3314.1
S	18	J. Tanner

CONSIDER APPROVAL OF A DEFERMENT OF DRILLING OBLIGATION, OIL AND GAS LEASE NO. PRC 3314.1, MONTALVO FIELD, VENTURA COUNTY

LESSEE/OPERATOR:

Berry Petroleum Company Attn.: Mr. Ralph McPhetridge P. O. Bin X Taft, CA 93268

AREA, TYPE LAND AND LOCATION:

Oil and Gas Lease No. PRC 3314.1 (Lease) contains 5,340 acres of tide and submerged lands west of Oxnard, Ventura County.

BACKGROUND:

Oil and Gas Lease No. PRC 3314.1 was issued on July 1, 1965, to Shell Oil Company and through a series of name changes and assignments is now held by Berry Petroleum Company (Berry). The original lease contains 5,340 acres of tide and submerged lands west of Oxnard, Ventura County. Berry by letter of January 15, 1998, has requested a two year deferment of its drilling obligation. Berry intends to pursue a development program of the lease area through extended reach drilling from onshore locations and will need additional time to evaluate existing data to determine future drilling locations. Berry's present deferment expires on July 31, 1998, and the company requests an extension until July 31, 2000.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code section: Division 6, Parts 1 and 2; Division 13.
- B. California Code of Regulations section: Title 3, Division 3; Title 14, Division 6.

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

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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.

EXHIBIT:

A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

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.

AUTHORIZATION:

APPROVE A DEFERMENT OF THE DRILLING OBLIGATION UNDER OIL AND GAS LEASE NO. PRC 3314.1 UNTIL AUGUST 1, 2000.

