

AMENDED IN SENATE AUGUST 24, 2012
AMENDED IN SENATE JUNE 19, 2012
AMENDED IN ASSEMBLY JANUARY 4, 2012
CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1054

Introduced by Assembly Member Skinner

February 18, 2011

An act to amend Section 6804.1 of the Public Resources Code, relating to public lands.

LEGISLATIVE COUNSEL'S DIGEST

AB 1054, as amended, Skinner. Public lands: oil and gas leases.

Existing law authorizes the State Lands Commission to lease lands owned by the state that are under the jurisdiction of the commission for those purposes as the commission deems advisable, including, but not limited to, grazing leases and leases for commercial, industrial, and recreational purposes. Existing law allows lessees of oil and gas and mineral leases to make and file with the commission a written quitclaim or relinquishment of all rights under a lease comprising a particular parcel. The quitclaim or relinquishment becomes effective as of the date of its filing subject to specified conditions.

This bill instead would allow a lessee to file with the commission a written request for the commission to approve a quitclaim or relinquishment of all or any portion of the lease premises under an oil and gas and mineral lease subject to any required abandonment of facilities and required reclamation of the lease premises. The bill would require, *upon a lessee's completion of abandonment and reclamation of the lease premises*, the request to approve a quitclaim or

relinquishment of all rights under a lease to be heard at a commission meeting.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 6804.1 of the Public Resources Code is
2 amended to read:

3 6804.1. (a) Notwithstanding any provision of this code to the
4 contrary, a lessee may at any time file with the commission a
5 written request for the commission to accept a quitclaim or
6 relinquishment of all or a portion of the lease premises under any
7 lease. A quitclaim or relinquishment shall be effective upon
8 completion of any required abandonment of facilities and required
9 reclamation of the lease premises as specified in the lease and
10 approved by the commission. Until that time, a lessee shall comply
11 with all terms of the lease including the payment of rentals and
12 royalties that have accrued.

13 (b) ~~Upon a lessee's completion of any required abandonment~~
14 ~~of facilities and required reclamation of the lease premises as~~
15 ~~specified in subdivision (a), a lessee's request for the commission~~
16 ~~to accept a quitclaim or relinquishment of all or a portion of the~~
17 ~~lease premises shall be heard at the next regularly scheduled~~
18 ~~commission meeting for which the request may be properly~~
19 ~~reviewed and noticed. Upon acceptance by the commission, the~~
20 ~~lessee shall be released from all obligations accruing under the~~
21 ~~lease with respect to the lands quitclaimed or relinquished.~~
22 ~~Acceptance of a quitclaim by the commission does not release the~~
23 ~~lessee or the lessee's surety from liability for breach of any~~
24 ~~obligation of the lease for which the lessee is in default at the time~~
25 ~~of approval.~~

26 (c) Nothing in this section shall be interpreted to terminate,
27 modify, or replace any lease that was in effect prior to January 1,
28 2013.

O