

to the Fullerton Oil Company, Beloil Corporation Ltd., Neptune Corporation and Sexton Corporation in the manner proposed by the Fullerton Oil Company on December 7, 1949, pursuant to Lease P.R.C. 445 whereunder the successors of Lido assume all liabilities with respect to the Lido interest acquisition.

18. (Proposed Assignment - Oil and Gas Lease 91 (303-1921) - C. J. Mahoney - Elwood Oil Field) The Commission was informed that on November 10, 1949, an application was received from the Seaward Oil Company, Ltd., for the approval of the assignment of all the right, title and interest in, to and under, Oil and Gas Lease 91 (303-1921) from C. J. Ackert, formerly known as C. J. Mahoney, to the Seaward Oil Company, Ltd.

Oil and Gas Lease No. 91 (303-1921) was issued November 12, 1929, for a term of twenty years. Section 2 (1) of said lease provides that the Lessee agrees not to assign the lease or any interest therein, nor sub-let any portion of the leased premises, except with the consent in writing of the State first had and obtained. Section 12, Chapter 303, Statutes of 1921, specifies that no person, association of persons, or corporation shall take or hold, either directly or indirectly, permits or leases for oil or gas or interests therein exceeding 640 acres in the aggregate. Seaward Oil Company, Ltd., as the proposed assignee, has not transmitted any statement as to compliance with the above quoted section of Chapter 303 - 1921, but has stated that such data will be forthcoming.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to approve, effective November 10, 1949, the assignment of State Oil and Gas Lease No. 91 (303-1921) from C. J. Ackert, formerly known as C. J. Mahoney, to the Seaward Oil Company, Ltd., subject to the submission by the Seaward Oil Company, Ltd., of a statement of compliance with Section 12, Chapter 303 of the Statutes of 1921.

19. (Extension of Oil and Gas Lease 91 (303-1921) - Seaward Oil Company, Ltd., Elwood Oil Field, Santa Barbara County - W.O. 599 - P.R.C. 424) The Commission was informed that an application has been received from the Seaward Oil Company, Ltd., for renewal and extension of Oil and Gas Lease No. 91 (303-1921) Elwood Oil Field. State Oil and Gas Lease No. 91 (303-1921) was issued November 12, 1929, for an initial period of twenty years and provides for extensions of additional periods of ten years under such reasonable terms and conditions as the State may determine at time of renewal. It is proposed that the extension of Lease 91 be issued in the form attached which is a modification of the current standard Public Resources Code lease, but which is identical in context with the form approved by the Commission heretofore for all renewal and extensions of Chapter 303 - 1921 leases in the Elwood Oil Field. The proposed form of extension provides for a performance bond of \$15,000, and is acceptable to the Seaward Oil Company, Ltd., lessee (by virtue of approval of the assignment in the previous item) under State Oil and Gas Lease 91. The bases for the extension of the lease have been reviewed as to form by the office of the Attorney General.

Lease 91 (303-1921) required the drilling of nine wells (1 well for each 10 acres of leased area), of which only two were actually drilled. Additional wells would not be feasible economically and therefore it is suggested that any renewal and extension be for only twenty acres of area surrounding the existing wells.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to issue to the Seaward Oil Company, Ltd., a ten-year extension, effective November 12, 1949, for twenty acres of State Oil and Gas Lease No. 91, Elwood Field, Santa Barbara County, in the form proposed herewith,