

of Well "Peter Cook No. 9", which completion requires the extension of the limits of the West Emigh Pool. Comparison of the proposed revised allotment to the State's lands under Agreement for Easement 415 with the data heretofore effective through the 41st Revision (Pool Basis) follows. The net result of the revisions is a minor increase in the allotment to State lands for the West Emigh pool and a minor decrease for the West Hamilton pool. Inasmuch as the productivity of the West Emigh Pool is the greatest of all the field pools, there will be a minor increase in net gas royalty to the State.

<u>Pool</u>	<u>Total Participating Area (Acres)</u>	<u>Estimated Productive Area of State Lands (Acres)</u>	<u>Allotment to State Land (41st Revision)</u>	<u>Allotment to State Land (42nd Revision)</u>
East Emigh	2598.69	12.39	0.4768	0.4768
West Emigh	17165.46	1839.09	10.7099	10.7139
West Hamilton	9217.05	1181.61	12.8202	12.8198
East Midland	4852.90	99.68	2.0540	2.0540
Anderson A-6	103.77	-0-	-0-	-0-

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE 42ND REVISION (POOL BASIS) TO THE STATE'S ALLOTMENT OF PRODUCTIVE LANDS EFFECTIVE MAY 26, 1950, AS PRESENTED BY THE STANDARD OIL COMPANY OF CALIFORNIA ON JULY 13, 1950, PURSUANT TO AGREEMENT FOR EASEMENT NO. 415.

16. (REQUEST FOR APPROVAL OF CRUDE OIL SALES CONTRACT, SIGNAL OIL AND GAS COMPANY, LEASE P.R.C. 426, HUNTINGTON BEACH) The Commission was informed that Section 14 of Oil and Gas Lease P.R.C. 426, Huntington Beach Field, Signal Oil and Gas Company provides in part:

"In the event the State should elect to take royalty in money instead of in kind, the Lessee shall not sell or otherwise dispose of the products hereunder except in accordance with ***** sales contracts or other methods first approved in writing by the State."

Pursuant to this provision, the Signal Oil and Gas Company has submitted for approval a copy of the crude oil sales contract between the Signal Oil and Gas Company and the Standard Oil Company of California covering the delivery of all oil produced from State Oil and Gas Lease P.R.C. 426. The general terms and conditions of the contract relating to the manner of delivery, price and testing of oil samples are in conformance with the lease terms and general practice in the Huntington Beach Field. The contract is subject to cancellation by either party upon written notice of thirty days.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE CRUDE OIL SALES CONTRACT OF MAY 29, 1950, BETWEEN THE SIGNAL OIL AND GAS COMPANY AND THE STANDARD OIL COMPANY OF CALIFORNIA AS THE BASIS FOR THE SALE AND DELIVERY BY THE SIGNAL OIL AND GAS COMPANY OF ALL OIL PRODUCED UNDER OIL AND GAS LEASE P.R.C. 426, DATED FEBRUARY 10, 1950, SUBJECT TO THE EXPRESS CONDITION THAT THE APPROVAL OF THE SALES CONTRACT SHALL NOT BE CONSTRUED TO MODIFY OR AFFECT IN ANY MANNER ANY OF THE LEASE TERMS INCLUDING FULL COMPLIANCE BY LESSEE WITH ALL THE TERMS AND CONDITIONS OF OIL AND GAS LEASE P.R.C. 426 AND THE RULES AND REGULATIONS OF THE COMMISSION.