

DISTRICT A RIGHT-OF-WAY EASEMENT 50 FEET IN WIDTH AND EXTENDING APPROXIMATELY 625 FEET INTO MONTEREY BAY FROM THE LINE OF MEAN HIGH TIDE FOR SUCH A PERIOD AS THE LAND IS OCCUPIED BY AN OUTFALL SEWER, AT NO FEE AND NO RENTAL, THE CONSIDERATION BEING THAT THE PROJECT IS IN THE INTEREST OF THE PUBLIC.

6. (REQUEST FOR APPROVAL OF GAS SALES CONTRACT - SIGNAL OIL AND GAS COMPANY - LEASES P.R.C. 163, P.R.C. 426 - HUNTINGTON BEACH.) The Commission was informed that State Oil and Gas Leases P.R.C. 163 and P.R.C. 426, Huntington Beach, held by the Signal Oil and Gas Company, provide that 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 of the lease except in accordance with sales contracts or other methods first approved in writing by the State. In accordance with this provision the Signal Oil and Gas Company has submitted for approval a copy of a gas sales contract between the Signal Oil and Gas Company and the Pacific Lighting Gas Supply Company to cover the delivery of all gas marketed from the subject leases. The general terms and conditions of the contract relating to delivery, price, and measurement of gas are in conformance with the respective lease terms and general practice in the Huntington Beach Field. The contract is for a period of 1-1/2 years from January 1, 1951, and thereafter is subject to cancellation by either party upon ninety days' written notice.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE GAS SALES CONTRACT OF JANUARY 1, 1951, BETWEEN THE SIGNAL OIL AND GAS COMPANY AND THE PACIFIC LIGHTING GAS SUPPLY COMPANY FOR THE INITIAL FIRM TERM OF 1-1/2 YEARS AS THE BASIS FOR THE SALE AND DELIVERY BY SIGNAL OIL AND GAS COMPANY OF ALL DRY GAS MARKETED FROM STATE OIL AND GAS LEASES P.R.C. 163 AND P.R.C. 426, 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 THE LESSEE WITH ALL THE TERMS AND CONDITIONS OF OIL AND GAS LEASES P.R.C. 163 AND P.R.C. 426 RESPECTIVELY, AND THE RULES AND REGULATIONS OF THE COMMISSION.

7. (REQUEST FOR APPROVAL OF GAS SALES CONTRACT, SIGNAL OIL AND GAS COMPANY - LEASES P.R.C. 129, 208, AND 428, ELWOOD OIL FIELD.) The Commission was informed that Leases P.R.C. 129, 208, and 428 of the Signal Oil and Gas Company, Elwood Oil Field, Santa Barbara County, all provide that 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 of the lease except in accordance with sales contracts or other methods first approved in writing by the State. Pursuant to this provision of the respective leases, the Signal Oil and Gas Company has submitted for approval a copy of the Gas Sales Contract between it and the Southern Counties Gas Company covering the sale of all marketable dry gas under the subject leases. The general terms and conditions of the contract relating to the manner of delivery, price, and quantity measurement are in conformance with the lease terms and general practice in the Elwood Oil Field. The contract is for a term of one year from January 1, 1951, and thereafter subject to cancellation by either party upon thirty days' written notice.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO APPROVE THE GAS SALES CONTRACT OF JANUARY 1, 1951, BETWEEN THE SIGNAL OIL AND GAS COMPANY AND THE SOUTHERN COUNTIES GAS COMPANY OF CALIFORNIA FOR THE INITIAL FIRM TERM OF ONE YEAR