

transfer or subletting of the lease, the lessee shall continue to assume, during the term of the lease, or in extension thereof, jointly with any assignee, transferee or sublessee, responsibility for compliance with all of the terms, covenants, conditions, agreements and provisions of the lease.

"Pursuant to the foregoing, Southwest Exploration Company has submitted an application for approval of the assignment and transfer of Lease P.R.C. 425.1 in the following percentages:

An undivided 66% interest to Signal Oil and Gas Company.

An undivided 34% interest to Hancock Oil Company.

"Each of the proposed assignees is authorized to transact business in the State of California and possesses all of the qualifications required in Division 6 of the Public Resources Code. The assignees have submitted a performance bond in the penal sum of \$25,000 as required by Section 13 of the lease, to be filed in lieu of the bond of the assignor, Southwest Exploration Company.

"The assignees have designated Signal Oil and Gas Company as the operator under Lease P.R.C. 425.1 to receive all notices, make all reports required under the lease, and to be fully responsible for the performance of all its terms and conditions."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED:

- (1) TO APPROVE THE ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 425.1 FROM THE SOUTHWEST EXPLORATION COMPANY TO ASSIGNEES AS FOLLOWS:

AN UNDIVIDED 66% INTEREST TO SIGNAL OIL AND GAS COMPANY.

AN UNDIVIDED 34% INTEREST TO HANCOCK OIL COMPANY.

- (2) TO AMEND SECTION 4, OIL AND GAS LEASE P.R.C. 425.1, BY MUTUAL CONSENT AS AUTHORIZED BY SECTION 27 OF THE LEASE TO PERMIT THE RELEASE OF SOUTHWEST EXPLORATION COMPANY FROM FURTHER LIABILITY UNDER OIL AND GAS LEASE P.R.C. 425.1 FROM AND AFTER THE EFFECTIVE DATE OF APPROVAL OF THE SUBJECT ASSIGNMENT.

- (3) TO RELEASE SOUTHWEST EXPLORATION COMPANY, ASSIGNOR, FROM FURTHER LIABILITY UNDER OIL AND GAS LEASE P.R.C. 425.1 FROM AND AFTER THE EFFECTIVE DATE OF APPROVAL OF THE SUBJECT ASSIGNMENT.

14. (APPLICATION FOR ASSIGNMENT OF OIL AND GAS LEASE EASEMENT 392.1, SOUTHWEST EXPLORATION COMPANY - W. O. 2310.) The following report was presented to the Commission:

"Oil and Gas Lease Easement 392.1, issued September 26, 1938 to the Southwest Exploration Company for a term of twenty years, provides that the lease may not be assigned, transferred or sub-let without the prior consent, in writing, of the Commission. Assignments may only be made to a person, association of persons or corporation which possesses qualifications provided in Chapter 5, Statutes of 1938 (now codified in the Public Resources Code).

"Pursuant to the foregoing, Southwest Exploration Company has submitted an application for the approval of the assignment and transfer of Oil and Gas Lease Easement 392.1 in the following percentages:

An undivided 66% interest to Signal Oil and Gas Company.

An undivided 34% interest to Hancock Oil Company.

"Each of the proposed assignees is authorized to transact business in the State of California and possesses all of the qualifications required in Division 6 of the Public Resources Code. The assignees have submitted a performance bond in the penal sum of \$25,000 as required in Section 2A of the lease, to be filed in lieu of the bond of the assignor, Southwest Exploration Company.

"The assignees have designated Signal Oil and Gas Company as the operator under Easement 392.1 to receive all notices, make all reports required under the lease, and to be fully responsible for the performance of all its terms and conditions."

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, IT WAS RESOLVED AS FOLLOWS:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT OF OIL AND GAS LEASE EASEMENT 392.1 FROM THE SOUTHWEST EXPLORATION COMPANY TO ASSIGNEES, AS FOLLOWS:

AN UNDIVIDED 66% INTEREST TO SIGNAL OIL AND GAS COMPANY.

AN UNDIVIDED 34% INTEREST TO HANCOCK OIL COMPANY.

THE SOUTHWEST EXPLORATION COMPANY IS TO BE RELEASED FROM FURTHER LIABILITY UNDER OIL AND GAS LEASE EASEMENT 392.1 EFFECTIVE WITH THE APPROVAL OF THE SUBJECT ASSIGNMENT.

15. (OIL AND GAS LEASE APPLICATION 6871.3, PUBLIC RESOURCES CODE, ORANGE COUNTY - W. O. 2242.)

"On January 19, 1956 (Minute Item 3, pages 2533-34) the Commission authorized the Executive Officer to proceed with the publication of the notice required by Section 6873.2 of the Public Resources Code that the Commission intends to consider offering a lease for the extraction of oil and gas from approximately 7,200 acres of