

4. SPECIFIC DESCRIPTIONS OF THE PARCELS TO BE OFFERED FOR LEASE ARE TO BE PREPARED AND PRESENTED TO THE COMMISSION FOR APPROVAL PRIOR TO ANY LEASE OFFER.
4. (REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, SIGNAL OIL AND GAS COMPANY - P.R.C. 1551.1.) The following report was presented to the Commission:

"Oil and Gas Lease P.R.C. 1551.1, issued to Richfield Oil Corporation, Hancock Oil Company and Signal Oil and Gas Company on August 16, 1955 pursuant to competitive public bidding, requires in part that the operations for the drilling of a well shall be started within sixty days of the time of completion or suspension of operations on a preceding well. In conformance with this requirement, the lessee has previously drilled two wells, neither of which has been productive of oil or gas. After consideration of the total work accomplished under the lease, the Commission on May 18, 1956 (Minute Item 15, pages 2684-85) authorized the Executive Officer to grant the lessees under Lease P.R.C. 1551.1 a deferment of drilling and operating requirements to November 1, 1956. The lessees reported on October 16, 1956 as follows:

"As the Commission staff is aware, findings on this property as well as those on the State lease to the north and the State lease to the south have to date been quite discouraging. Under such conditions we feel justified in asking for a reasonable opportunity to study all possible data. This we have not been able to do.

"We have quite recently acquired the paleontological information from the wells which had been drilled by the Monterey Oil Company to the south. We also have the information on the Douglas Oil Company wells on the State property to the north. Both are under study.

"The lessees are seriously contemplating a core hole drilling program on this property, but marine equipment is not now available. Such a program would call for the use of a core drilling boat owned by Richfield which is now engaged on State Lease 309, Santa Barbara County. Another lessee of the State is soon to undertake a core drilling program on State lands to the south of the subject property. In the possibility that findings therein may be co-relative to the findings in our contemplated core drilling program and may be available to both parties, we suggest that such could be most helpful in determining justification for exploration on the subject leasehold.

"Under the circumstances Signal Oil and Gas Company as operator and on behalf of its co-lessees hereby respectfully requests that drilling and operating requirements under the subject lease be deferred by your Commission to July 1, 1957."

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT SIGNAL OIL AND GAS COMPANY, OPERATOR UNDER STATE OIL AND GAS LEASE P.R.C. 1551.1, A DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS UNDER THE SUBJECT LEASE TO JULY 1, 1957. THE GRANT OF DEFERMENT IS TO BE SUBJECT TO THE EXPRESS CONDITIONS THAT DURING THE PERIOD OF DEFERMENT THE LESSEE WILL PERFORM ONE OF THE FOLLOWING ACTIONS:

1. INITIATE DEVELOPMENT ON THE LEASE.
2. QUITCLAIM THE ENTIRE LEASE AREA.
3. PRESENT NEW ADEQUATE BASES FOR CONSIDERATION AS TO FURTHER DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE LEASE.
5. (SUBMARINE GEOPHYSICAL EXPLORATION OPERATIONS, SANTA BARBARA TO ORANGE COUNTIES, EDWIN W. PAULEY - W. O. 2433, P.R.C. 1821.1.) The following report was presented to the Commission:

"Mr. Edwin W. Pauley has made application for authorization to conduct submarine geophysical explorations on those tide and submerged lands under the jurisdiction of the State Lands Commission lying between the easterly corporate limits of the City of Santa Barbara, Santa Barbara County, and Point Dume, Los Angeles County, and between Point Fermin, Los Angeles County, and the extension seaward of the northerly corporate limits of the City of Newport Beach, Orange County. An operating permit has been requested for a 180-day period beginning November 1, 1956. The Boards of Supervisors of the Counties of Santa Barbara, Ventura, Los Angeles and Orange have been informed that this application may be considered. The statutory filing fee has been paid by the applicant."

The staff reported that subsequent to the preparation of the foregoing report, a letter directed to the State Lands Commission was received from the Honorable Vern B. Thomas, District Attorney of Santa Barbara County, dated November 5, 1956, reading as follows:

"State Lands Commission  
Department of Finance  
State Capitol  
Sacramento, California

"Gentlemen:

"The Board of Supervisors was recently notified of the pending application by Edwin W. Pauley to be considered by the Commission at a meeting to be held at 10 a.m., November 8, 1956, of a request to conduct submarine geophysical exploration operations in the offshore area of Santa Barbara County lying between the easterly corporate limits of the City of Santa Barbara and the Santa Barbara-Ventura County Line during a 180-day period commencing November 1, 1956.