

MINUTE ITEM

5. (REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, TIDEWATER OIL COMPANY, SUMMERLAND, SANTA BARBARA COUNTY - P.R.C. 1744.1.)

After presentation of Calendar Item 14 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE ACTING EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO TIDEWATER OIL COMPANY A DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1744.1 UNTIL FEBRUARY 11, 1958. THE GRANT OF DEFERMENT IS TO BE SUBJECT TO THE EXPRESS CONDITION THAT DURING THE PERIOD OF DEFERMENT THE LESSEE WILL PERFORM ONE OF THE FOLLOWING ACTIONS:

1. INITIATE DEVELOPMENT ON THE LEASE.
2. QUITCLAIM THE LEASE AREA.
3. PRESENT NEW ADEQUATE BASES FOR ANY FURTHER CONSIDERATION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE LEASE.

Attachment

Calendar Item 14 (1 page)

CALENDAR ITEM

OIL & GAS

14.

(REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, TIDEWATER OIL COMPANY, SUMMERLAND, SANTA BARBARA COUNTY - P.R.C. 1744.1.)

Oil and Gas Lease P.R.C. 1744.1, issued to the Tidewater Oil Company July 2, 1956 pursuant to competitive public bidding, requires in part that operations for the drilling of a well shall be started within 60 days of the time of completion or suspension of operations in a preceding well. In conformance with lease requirements, the lessee has drilled one well. Operations on this well were suspended August 11, 1957.

An application has been received from the Tidewater Oil Company for an extension of time in which it may commence operations for the drilling of a second well until February 11, 1958. This extension in time is requested for the purpose of properly evaluating the results obtained from the well drilled in conjunction with other available geological information to determine a possible further exploration program for the lease.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ACTING EXECUTIVE OFFICER TO GRANT TO TIDEWATER OIL COMPANY A DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1744.1 UNTIL FEBRUARY 11, 1958. THE GRANT OF DEFERMENT IS TO BE SUBJECT TO THE EXPRESS CONDITION THAT DURING THE PERIOD OF DEFERMENT THE LESSEE WILL PERFORM ONE OF THE FOLLOWING ACTIONS:

1. INITIATE DEVELOPMENT ON THE LEASE.
2. QUITCLAIM THE LEASE AREA.
3. PRESENT NEW ADEQUATE BASES FOR ANY FURTHER CONSIDERATION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE LEASE.