

MINUTE ITEM

2. (REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORPORATION AND RICHFIELD OIL CORPORATION, COAL OIL POINT, SANTA BARBARA COUNTY - P.R.C. 308.1 AND P.R.C. 309.1.)

After presentation of Calendar Item 16 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE ACTING EXECUTIVE OFFICER IS AUTHORIZED TO GRANT THE SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORPORATION AND RICHFIELD OIL CORPORATION, LESSEES UNDER STATE OIL AND GAS LEASES P.R.C. 308.1 AND P.R.C. 309.1, A DEFERMENT OF THE ~~DRILLING AND OPERATING REQUIREMENTS UNDER THE SUBJECT LEASE TO DECEMBER 31, 1958.~~ THIS 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 ENTIRE LEASE AREA;
3. PRESENT NEW ADEQUATE BASES, NOT CONSIDERED HERETOFORE, FOR CONSIDERATION AS TO ANY FURTHER EXTENSION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE RESPECTIVE LEASES.

Attachment

Calendar Item 16 (1 page)

CALENDAR ITEM

OIL & GAS

16.

(REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORPORATION AND RICHFIELD OIL CORPORATION, COAL OIL POINT, SANTA BARBARA COUNTY - P.R.C. 308.1 AND P.R.C. 309.1.)

On June 13, 1957 (Minute Item 2, page 3177) the Commission authorized the further deferment of drilling and operating requirements under Oil and Gas Leases P.R.C. 308.1 and P.R.C. 309.1 to January 1, 1958. The joint lessees have requested an additional deferment of drilling and operating requirements under the subject leases P.R.C. 308.1 and P.R.C. 309.1 to December 31, 1958. During September, 1957, a core hole was completed on Lease P.R.C. 308.1 using mobile drilling equipment. Information obtained from this hole will have to be intensely studied and correlated with geological, geophysical and other data heretofore obtained to serve as a basis for determination as to future drilling plans. A total of approximately \$600,000 has been reported expended for the aforesaid coring operation.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ACTING EXECUTIVE OFFICER TO GRANT THE SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORPORATION AND RICHFIELD OIL CORPORATION, LESSEES UNDER STATE OIL AND GAS LEASES P.R.C. 308.1 AND P.R.C. 309.1, A DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE SUBJECT LEASE TO DECEMBER 31, 1958. THIS 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 ENTIRE LEASE AREA;
3. PRESENT NEW ADEQUATE BASES, NOT CONSIDERED HERETOFORE, FOR CONSIDERATION AS TO ANY FURTHER EXTENSION OF THE DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE RESPECTIVE LEASES.