MINUTE ITEM

19. REQUEST FOR APPROVAL OF CRUDE OIL SALES CONTRACT, AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1, ELDREDGE E. COMBS, ET AL., HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3230.

After consideration of Calendar Item 15 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE, EFFECTIVE JULY 30, 1959, THE CRUDE OIL SALES CONTRACT DATED JANUARY 24, 1955, BETWEEN ELDREDGE E. COMES, ET AL., AND THE STANDARD OIL COMPANY OF CALIFORNIA AS THE BASIS FOR THE SALE AND DELIVERY BY ELDREDGE E. COMES, ET AL., OF ALL OIL PRODUCED UNDER AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1, 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 OF THE TERMS AND CONDITIONS OF AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.

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Attachment Calendar Item 15 (1 mage)

CALENDAR ITEM

REQUEST FOR APPROVAL OF CRUDE OIL SALES CONTRACT, AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1, ELDREDGE E. COMBS, ET AL., HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3230.

Agreements for Easements 409.1, 410.1 and 411.1 provide in Section (F) 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 except in accordance with the sales contract or other method first approved in writing by the State.

In accordance with this provision, Roscoe F. Oakes; Margaret H. Oakes; Frende W. Combs; Eldredge E. Combs; Ernest F. Combs; and Frende W. Combs and Eldredge E. Combs, as Executor of the Estate of E. E. Combs, Deceased, joint lesses have submitted for approval a copy of the grude oil sales contract between Eldredge R. Combs, et al., and the Standard Oil Company of California covering the delivery of all oil produced from Agreements for Easements 409.1, 410.1 and 411.1. The terms and conditions of the contract relating to the menner of delivery and to the price and procedure for testing oil samples are in conformance with the lease terms and the general practice in the Huntington Beach Field. The contract is subject to cancelation by either party as of any date more than five years after said effective date (January 22, 1955) by the giving of at least a one-year written notice of such termination to the other party.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE, EFFECTIVE JULY 30, 1959, THE CRUDE OIL SALES CONTRACT DATED JANU-ARY 24, 1955, BETWEEN ELDREDGE E. COMBS, ET AL., AND THE STANDARD OIL COMPANY OF CALIFORNIA AS THE BASIS FOR THE SALE AND DELIVERY BY ELDREDGE E. COMBS, L.' AL., OF ALL OIL FRODUCED UNDER AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND 411.1, 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 OF THE TERMS AND CONDITIONS OF AGREEMENTS FOR EASEMENTS 409.1, 410.1 AND THE RULES AND REGULATIONS OF THE COMMISSION.

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