MINUTE ITEM

9.   ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 977.1, READING OIL CORPORATION
TO HAMMIL OIL CORPORATION, HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3962.

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

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT OF OIL AND
GAS LEASE P.R.C. 977.1, HUNTINGTON BEACH FIELD, ORANGE COUNTY, FROM READING
OIL CORPORATION TO HAMMIL OIL CORPORATION, SUBJECT TO THE FULFILLMENT BY
THE ASSIGNEE OF THE BOND REQUIREMENTS OF THE LEASE AND THE SUBMISSION OF THE
FORM OF CONSENT BY THE TOWNSITE ASSOCIATION TO THE ASSIGNMENT OF THE UPLAND
CROSSING RIGHT-OF-WAY.

Attachment
  Calendar Item 16 (1 page)

A 74 & 75
S 35

7012

CALENDAR ITEM

16.

ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 977.1, READING OIL CORPORATION TO
HAMMIL OIL CORPORATION, HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3962.

Reading Oil Corporation, lessee under Easement No. 276, issued March 1, 1934,
extended and renewed under State Oil and Gas Lease Extension and Renewal
P.R.C. 977.1, issued March 1, 1954, for ten years and so long thereafter
as oil or gas is produced in paying quantities, has submitted an applica-
tion for the assignment of the subject lease to Hammil Oil Corporation.

The drilled course of the well operating under Lease P.R.C. 977.1 also
traverses uplands under the jurisdiction of the Huntington Beach Townsite
Association.

Section 4 of the lease states in part "This lease may not be assigned,...
except with the written consent of the State...."

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO
APPROVE THE ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 977.1, HUNTINGTON
BEACH FIELD, ORANGE COUNTY, FROM READING OIL CORPORATION TO HAMMIL OIL
CORPORATION, SUBJECT TO THE FULFILLMENT BY THE ASSIGNEE OF THE BOND REQUIRE-
MENTS OF THE LEASE AND THE SUBMISSION OF THE FORM OF CONSENT BY THE TOWNSITE
ASSOCIATION TO THE ASSIGNMENT OF THE UPLAND CROSSING RIGHT-OF-WAY.

A 74 & 75
S 35

7013