

MINUTE ITEM

21. ASSIGNMENT OF INTERESTS IN OIL AND GAS LEASE FROM HONOLULU OIL CORPORATION, A DELAWARE CORPORATION, TO TIDEWATER OIL COMPANY, A DELAWARE CORPORATION, P.R.C. 429.1, VENTURA COUNTY, FORMERLY PERMIT NO. 56.

After consideration of Calendar Item 24 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE AN ASSIGNMENT, IN THE FORM OF EXHIBIT "A" ATTACHED HERETO, OF THE INTERESTS IN, AND ASSUMPTION OF OBLIGATIONS BY ASSIGNEE, TIDEWATER OIL COMPANY, UNDER STATE LEASE P.R.C. 429.1, CONSENTING TO THE ASSIGNMENT OF HONOLULU OIL CORPORATION'S LEASE INTEREST.

Attachment

Calendar Item 24 (5 pages)

CALENDAR ITEM

24.

ASSIGNMENT OF INTERESTS IN OIL AND GAS LEASE FROM HONOLULU OIL CORPORATION, A DELAWARE CORPORATION, TO TIDEWATER OIL COMPANY, A DELAWARE CORPORATION, P.R.C. 429.1, VENTURA COUNTY, FORMERLY PERMIT NO. 56.

The Honolulu Oil Corporation, a Delaware corporation, present lessee of Lease P.R.C. 429.1 with the State of California, has executed an assignment of its assets and property, including said Lease P.R.C. 429.1, to Tidewater Oil Company, a Delaware corporation, excepting and reserving to the assignor a production payment, which production payment was assigned concurrently to Albantu Oil & Gas Corporation, Morlyn Oil Company, Long Point Corporation and Calprintz Corporation, all Delaware corporations.

In order to accomplish the transfer in such transaction, there was prepared a general indenture of conveyance, and a specific assignment of said Lease P.R.C. 429.1, which by their terms convey all right, title and interest of the assignor, Honolulu Oil Corporation, in the lease to the assignee, Tidewater Oil Company, a Delaware corporation duly qualified to do business in the State of California, excepting and reserving to the assignor, Honolulu Oil Corporation, a production payment, assigned concurrently to Albantu Oil & Gas Corporation, Morlyn Oil Company, Long Point Corporation and Calprintz Corporation. These indentures have been executed, pursuant to respective Board authorizations, by each of the corporations involved and furnished to the Division.

Pursuant to the indentures, Honolulu Oil Corporation has requested approval of the assignment of said Lease P.R.C. 429.1 to Tidewater Oil Company, excepting and reserving the production payment for concurrent assignment to Albantu Oil & Gas Corporation, Morlyn Oil Company, Long Point Corporation and Calprintz Corporation. Tidewater Oil Company and the production payment assignees are qualified to be State lessees under the provisions of Public Resources Code, Section 6801.

The required additions and endorsements on the performance bonds affecting the lease have been completed.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO EXECUTE AN ASSIGNMENT, IN THE FORM OF EXHIBIT "A" ATTACHED HERETO, OF THE INTERESTS IN, AND ASSUMPTION OF OBLIGATIONS BY ASSIGNEE, TIDEWATER OIL COMPANY, UNDER STATE LEASE P.R.C. 429.1, CONSENTING TO THE ASSIGNMENT OF HONOLULU OIL CORPORATION'S LEASE INTEREST.

Attachment
Exhibit "A"

EXHIBIT "A"
W.O. 4149

(COPY)

STATE LAND COMMISSION
STATE OF CALIFORNIA

ASSIGNMENT

(California State Oil and Gas Lease P.R.C.
No. 429.1, formerly Permit No. 56)

This Assignment, consisting of two Parts, Part I being the Assignment of the State of California Oil and Gas Lease P.R.C. No. 429.1, excepting the California Production Payment (hereinafter defined), from Honolulu Oil Corporation, a Delaware corporation (hereinafter called "Assignor"), to Tidewater Oil Company, a Delaware corporation (hereinafter called "Assignee"), and Part II being an Assignment of the California Production Payment from Assignor to Albantu Oil & Gas Corporation, Morlyn Oil Company, Long Point Corporation, and Calprintz Corporation, all Delaware corporations, (hereinafter collectively called the "PP-Assignees"),

WITNESSETH THAT:

PART I

1. Assignor, for valuable consideration, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto Assignee (i) State of California Oil and Gas Lease P.R.C. No. 429.1, (ii) all rights of Assignor appertaining to said Lease and to any and all renewals, extensions, replacements, exchanges, amendments and supplements of or to the same, and (iii) all of Assignor's right, title, interest and claims whether now existing or hereafter arising, in, to, and under or derived from said lease;

SUBJECT, HOWEVER, to (i) taxes, constituting a lien, but not yet due and payable, (ii) existing and valid easements and rights of way, and (iii) the effect of the instruments set forth or referred to in Exhibit TW-State attached hereto and made a part hereof;

EXPRESSLY EXCEPTING, HOWEVER, from the Assignment contained in this Part I and retaining unto Assignor's successors and assigns, the California Production Payment defined in that certain Conveyance by and between Assignor, Assignee and PP-Assignees of even date herewith, reference to said Conveyance being hereby made for all purposes;

TO HAVE AND TO HOLD said leases or interests and rights by this instrument assigned unto Assignee, its successors and assigns, forever.

PART II

2. Assignor, for valuable consideration, does hereby grant, bargain, sell, convey, assign, transfer, set over and deliver unto each PP-Assignee the fractional undivided interest set opposite its name below in the California Production Payment, to-wit:

<u>Name of PP Assignee</u>	<u>Fractional Undivided Interest</u>
Albantu Oil & Gas Corporation	25/55
Morlyn Oil Company	13/55
Long Point Corporation	10/55
Calprintz Corporation	<u>7/55</u>
Total	55/55

TO HAVE AND TO HOLD said respective fractional undivided interest in the California Production Payment unto the respective PP-Assignees, and their respective successors and assigns.

THE FOLLOWING PROVISIONS SHALL BE DEEMED TO BE INCORPORATED IN BOTH PARTS OF THIS ASSIGNMENT:

3. This Assignment is confirmat of the Conveyance insofar as it pertains to California State Oil and Gas Lease P.R.C. No. 429.1.

4. This Assignment shall be effective as of the hour of 7 o'clock A.M. on October 18, 1961, Pacific Standard Time.

5. This Assignment may be executed in any number of counterparts, and each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same Assignment.

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be duly executed on the date of the acknowledgment annexed hereto.

HONOLULU OIL CORPORATION

By _____
Vice President

ATTEST:

Assistant Secretary

ACCEPTANCE

(California State Oil and Gas Lease P.R.C. No. 429.1)

Assignee and PP-Assignees hereby accept the interests and rights transferred to them respectively, in State Lease P. R.C. No. 429.1 by virtue of the foregoing Assignment and Assignee hereby assumes and undertakes to perform all of the terms, covenants, conditions, agreements and provisions of said California State Oil and Gas Lease P.R.C. No. 429.1.

IN WITNESS WHEREOF, the Assignee and PP-Assignees have caused this Acceptance to be duly executed on the date of the acknowledgment annexed hereto:

TIDEWATER OIL COMPANY

By J. E. ROTH, Senior Vice President

ATTEST:

W. LOEW, Assistant Secretary

ALBANTU OIL & GAS CORPORATION

By _____

ATTEST:

MORLYN OIL COMPANY

By _____

ATTEST:

LONG POINT CORPORATION

By _____

ATTEST:

CALPRINTZ CORPORATION

By _____

ATTEST:

APPROVAL

(California State Oil and Gas Lease P.R.C. No. 429.1)

KNOW ALL MEN BY THESE PRESENTS:

That the undersigned, F. J. HORTIG, Executive Officer of the State Land Commission, State of California, hereby consents and agrees to the foregoing Assignment upon the express condition that such Assignment does not and shall not release or relieve the Assignor from any obligation to the State under the terms of the Lease assigned hereby, and that the State may hold the Assignor liable for the faithful performance of any and all obligations of the Lessee under said Lease to the extent the same have heretofore been accepted and assumed by Assignor.

F. J. HORTIG, Executive Officer,
State Land Commission, State of
California