

MINUTE ITEM

50. ACCEPTANCE OF BID AND AWARD OF OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4330 (PARCEL 7), P.R.C. 2894.1.

After consideration of Supplemental Calendar Item 48 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION ACCEPTS THE HIGHEST QUALIFIED BID, MADE BY SHELL OIL COMPANY AND STANDARD OIL COMPANY OF CALIFORNIA AS JOINT BIDDERS, ON JUNE 7, 1962, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO SAID JOINT BIDDERS FOR THE 4,250.14-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4330 (PARCEL 7) IN SANTA BARBARA COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION PUBLISHED APRIL 2 AND APRIL 9, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$1,502,020.

Attachment
Calendar Item 48 (1 page)

SUPPLEMENTAL CALENDAR ITEM

48.

ACCEPTANCE OF BID AND AWARD OF OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4330 (PARCEL 7).

On June 7, 1962, a joint bid by Shell Oil Company and Standard Oil Company of California was the sole bid received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from 4,250.14 acres of tide and submerged lands designated as W.O. 4330 (Parcel 7), Santa Barbara County. This offer was authorized by the Commission on March 29, 1962 (Minute Item 28, page 7870).

The bid was reviewed and evaluated by the staff as to technical sufficiency and economic factors. The office of the Attorney General reviewed the bid and determined:

- A. That the Commission has complied with the procedural requirements of law in the bid offer;
- B. That the bid submitted conforms with:
 - 1. The bid requirements specified in the proposal of the Commission;
 - 2. The applicable provisions of law; and
 - 3. The rules and regulations of the Commission.

The cash-bonus payment offered in the joint bid by Shell Oil Company and Standard Oil Company of California was \$1,502,020.

IT IS RECOMMENDED THAT, IN ACCORDANCE WITH THE PROVISIONS OF DIVISION 6 OF THE PUBLIC RESOURCES CODE, THE COMMISSION ACCEPT THE HIGHEST QUALIFIED BID, MADE BY SHELL OIL COMPANY AND STANDARD OIL COMPANY OF CALIFORNIA AS JOINT BIDDERS, ON JUNE 7, 1962, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO SAID JOINT BIDDERS FOR THE 4,250.14-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4330 (PARCEL 7) IN SANTA BARBARA COUNTY, AS DETAILED IN THE PUBLISHED NOTICE OF INTENTION PUBLISHED APRIL 2 AND APRIL 9, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$1,502,020.