

MINUTE ITEM

26. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4520 (PARCEL 11), P.R.C. 2991.1.

After consideration of Calendar Item 18 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 UNION OIL COMPANY OF CALIFORNIA, A CALIFORNIA CORPORATION, ON JANUARY 10, 1963, AND THE EXECUTIVE OFFICER IS AUTHORIZED TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR THE 4,250.14-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4520 (PARCEL 11), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 4520, PUBLISHED OCTOBER 24 AND OCTOBER 31, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$267,000.00 AS OFFERED IN THE BID.

Attachment

Calendar Item 18 (2 pages)

CALENDAR ITEM

18.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 4520 (PARCEL 11).

On January 10, 1963, three bids were 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. 4520 (Parcel 11), Santa Barbara County. This offer was authorized by the Commission on September 27, 1962 (Minute Item 25, pp. 8349-8350).

All bids submitted were reviewed by the staff as to technical sufficiency and economic factors. The office of the Attorney General reviewed the highest bid, submitted by Union Oil Company of California, and determined:

- A. That the Commission has complied with the procedural requirements of law; and
- 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.

A summary tabulation of the bonus-payment offers received pursuant to the lease proposal is attached (Exhibit "A").

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 UNION OIL COMPANY OF CALIFORNIA, A CALIFORNIA CORPORATION, ON JANUARY 10, 1963, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR THE 4,250.14-ACRE PARCEL OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 4520 (PARCEL 11), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 4520, PUBLISHED OCTOBER 24 AND OCTOBER 31, 1962. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$267,000.00 AS OFFERED IN THE BID.

Attachment
Exhibit "A"

EXHIBIT "A"

SUMMARY

W.O. 4520 (Parcel 11)

Bidder

Cash Bonus Offer

Union Oil Company of California

\$267,000.00

Pauley Petroleum, Inc.

\$161,505.00

Texaco Inc.

\$65,878.00