

MINUTE ITEM

16. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, LEASE P.R.C. 186.1, BELMONT OFFSHORE FIELD, ORANGE COUNTY; HUMBLE OIL & REFINING COMPANY - W.O. 4750.

After consideration of Calendar Item 22 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO HUMBLE OIL & REFINING COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 THROUGH DECEMBER 31, 1963, WITH ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 22 (1 page)

CALENDAR ITEM

22.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, LEASE P.R.C. 186.1, BELMONT OFFSHORE FIELD, ORANGE COUNTY; HUMBLE OIL & REFINING COMPANY - W.O. 4750.

Oil and Gas Lease P.R.C. 186.1, covering approximately 1,255 acres of tide and submerged lands, was issued on September 24, 1945, to Marine Exploration Company, pursuant to competitive public bidding in accordance with Division 6 of the Public Resources Code, and is now held jointly by Humble Oil & Refining Company and Texaco Inc., with Humble Oil & Refining Company designated as the operator.

A total of 55 wells have been drilled into the leased lands, including a water-injection well, 2 production wells from onshore drillsites, and 52 production wells from the offshore 75-foot-diameter island drillsite. The lease is currently producing from 51 wells, and, in addition, a pilot water-injection well, drilled from the island drillsite, is being operated. The lessee has conducted drilling operations with diligence and has completed wells at a rate in excess of the lease requirements. Based on the operator's estimate of the productive area, one well for the production of oil has been drilled into each 10 acres of the known commercially productive area.

On December 20, 1962 (Minute Item 2, page 8509), the Commission authorized a deferment of drilling operations to June 21, 1963. Subsequent thereto, additional seismic explorations have been conducted on the leased lands. The resulting data is now being correlated with seismic and geological data formerly obtained. An application has been received from Humble Oil & Refining Company for an additional deferment of drilling requirements in order that the operator and its co-lessee may continue to make studies of geologic and seismic data and consider the feasibility of drilling an additional well or wells and the commencement of other new activities on the lease.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO HUMBLE OIL & REFINING COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 THROUGH DECEMBER 31, 1963, WITH ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.