

MINUTE ITEM

22. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2793.1, SANTA BARBARA COUNTY; RICHFIELD OIL CORPORATION - W.O. 5352.

After consideration of Calendar Item 11 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2793.1 FROM OCTOBER 26, 1964, THROUGH APRIL 26, 1965, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 11 (1 page)

CALENDAR ITEM

11.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2793.1, SANTA BARBARA COUNTY; RICHFIELD OIL CORPORATION - W.O. 5352.

State Oil and Gas Lease P.R.C. 2793.1, containing 4250.14 acres of tide and submerged lands offshore Santa Barbara County, was issued on October 26, 1961, to Richfield Oil Corporation, Socony Mobil Oil Company, Inc., and Signal Oil and Gas Company, pursuant to competitive public bidding.

The initial three-year drilling term will terminate on October 26, 1964. An application has been received from Richfield Oil Corporation, operator, requesting a deferment of the drilling requirements through July 22, 1965.

On December 18, 1961, Richfield, as operator for the joint lessees, commenced drilling operations on the lands covered by said lease. A well drilled to a total depth of 6,010 feet was redrilled to a depth of 4,350 feet, from which depth it was completed as a producer. Eighty-seven days were spent in the drilling and completion of this well.

This well, completed with production equipment located on the ocean floor, is producing through a submarine pipeline approximately 23,000 feet to onshore tank facilities. Due to the many operating difficulties encountered in producing a well through a line of this length, more time is required to demonstrate the economics of drilling additional wells into the structure. Production, geological, and geophysical data are currently being correlated.

In conformance with current Commission practice of granting deferments for periods not in excess of six months,

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2793.1 FROM OCTOBER 26, 1964, THROUGH APRIL 26, 1965, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.