

MINUTE ITEM

9/23/65

16. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2726.1, SANTA BARBARA COUNTY; MOBIL OIL COMPANY - W.O. 5836.

In presenting Calendar Item 13 attached, the Executive Officer noted that the current operator of Lease P.R.C. 2726.1 is the Mobil Oil Company, and therefore the request for deferment of drilling requirements was being requested by that company, not by Richfield Oil Corporation as indicated.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

~~THE~~ COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO GRANT TO MOBIL OIL COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2726.1 THROUGH MAY 3, 1966, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 13 (1 page)

13.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2726.1, SANTA BARBARA COUNTY; RICHFIELD OIL CORPORATION, TIDEWATER OIL COMPANY, MARATHON OIL COMPANY, AND SOCONY MOBIL OIL COMPANY, INC. - W.O. 5836.

State Oil and Gas Lease P.R.C. 2726.1, containing 4,250.14 acres of tide and submerged lands in Santa Barbara County, was issued on May 4, 1961, to Richfield Oil Corporation, Tidewater Oil Company, The Ohio Oil Company (name subsequently changed to Marathon Oil Company), and Socony Mobil Oil Company, Inc., pursuant to competitive public bidding.

To date, three test wells have been drilled from floating barges on the leased lands, all resulting in dry holes. The last well was plugged and abandoned on July 9, 1965.

The Commission has granted deferments of the drilling requirements since May 3, 1964.

An application has been received from Mobil Oil Company requesting an additional deferment of drilling requirements for a six-month period extending from November 4, 1965, through May 3, 1966.

Mobil Oil Company, as current drilling operator of the lease, states that the last well cost in excess of \$300,000, and that additional time is needed to study the latest subsurface data obtained before a subsequent test well may be reasonably recommended to the Joint Interest Lessees.

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 MOBIL OIL COMPANY, INC., A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2726.1 THROUGH MAY 3, 1966, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.