

MINUTE ITEM

12/14/66

11. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2205.1, SANTA BARBARA COUNTY; PHILLIPS PETROLEUM COMPANY - W.O. 6376.

After consideration of Calendar Item 5 attached, and upon motion duly made and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO PHILLIPS PETROLEUM COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER STATE OIL AND GAS LEASE P.R.C. 2205.1 THROUGH JULY 21, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 5 (1 page)

5.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2205.1, SANTA BARBARA COUNTY; PHILLIPS PETROLEUM COMPANY - W.O. 6376.

An application has been received from Phillips Petroleum Company requesting a deferment of drilling requirements under State Oil and Gas Lease P.R.C. 2205.1 from January 21, 1967, to July 21, 1967.

State Oil and Gas Lease P.R.C. 2205.1, containing approximately 3,840 acres of offshore tide and submerged lands in Santa Barbara County, was issued on July 25, 1958, to Phillips Petroleum Company, Edwin W. Pauley, et al., pursuant to competitive public bidding.

The lessees have drilled a total of eleven wells on the lease to date. Phillips drilled ten wells as operator for the lessees, and Shell Oil Company drilled one well under a partial assignment from Phillips. The last drilling operations were conducted on March 24, 1964. Two wells are currently producing.

The operator estimates that \$4,972,000 has been expended in operations on the lease, and believes that the known reservoir has been developed. Exploration efforts by Phillips to date on the remainder of the lease have failed to find other reservoirs.

In order to permit further review of pertinent geological and geophysical data, Phillips has requested an additional six-month deferment of drilling requirements. The Commission has granted deferments of drilling requirements since June 22, 1961, extending continuously through January 21, 1967, except for the period covered by the drilling of a well in early 1964.

In conformance with the 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 PHILLIPS PETROLEUM COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER STATE OIL AND GAS LEASE P.R.C. 2205.1 THROUGH JULY 21, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.