

MINUTE ITEM

1/24/67

26. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2199.1, SANTA BARBARA COUNTY; STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., AND SHELL OIL COMPANY - W.O. 6455.

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 STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., OPERATOR, AND SHELL OIL COMPANY, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2199.1 THROUGH OCTOBER 4, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 22 (1 page)

22.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2199.1, SANTA BARBARA COUNTY; STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., AND SHELL OIL COMPANY - W.O. 6455.

An application has been received from Standard Oil Company of California, Western Operations, Inc., and Shell Oil Company requesting a deferment of drilling requirements under State Oil and Gas Lease P.R.C. 2199.1 from April 4, 1967, to October 4, 1967.

State Oil and Gas Lease P.R.C. 2199.1, containing approximately 3,840 acres of offshore tide and submerged lands in Santa Barbara County, was issued July 25, 1958, to Humble Oil & Refining Company and Standard Oil Company of California, pursuant to competitive public bidding. The lease is currently held by Standard Oil Company of California, Western Operations, Inc., and Shell Oil Company, with Standard designated as the operator.

A total of 10 wells have been drilled into the lease to date, four of which are currently producing gas and gas condensate. Total operations to date would cover the minimum drilling requirements under the terms of the lease through April 13, 1968.

Drilling operations on the lease were last conducted on November 12, 1962. The Commission has granted deferments of drilling requirements since October 4, 1962; the current deferment extends through April 4, 1967.

Studies of seismic surveys conducted on the lease in 1965 in relationship to a producing well drilled in 1964 on the lease to the west are in progress, according to Standard. In order to continue the studies, Standard has requested another six-month deferment of drilling requirements.

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 STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., OPERATOR, AND SHELL OIL COMPANY, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2199.1 THROUGH OCTOBER 4, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.