

MINUTE ITEM

1/24/67

27. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2955.1, SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6443.

After consideration of Calendar Item 8 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO TEXACO INC. A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2955.1 THROUGH SEPTEMBER 7, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 8 (1 page)

8.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2955.1, SANTA BARBARA COUNTY; TEXACO INC. - W.O. 6443.

An application has been received from Texaco Inc. requesting a deferment of drilling requirements under State Oil and Gas Lease P.R.C. 2955.1 through September 7, 1967.

State Oil and Gas Lease P.R.C. 2955.1, containing approximately 4,250 acres of offshore tide and submerged lands in Santa Barbara County, was issued on December 20, 1962, to Texaco Inc., pursuant to competitive public bidding.

One well has been drilled on the lease to date. According to Texaco, in excess of \$750,000 was expended in the drilling of the well. The well was abandoned on November 7, 1965, and no further drilling operations have been conducted on the lease.

Texaco conducted a seismic survey of the lease in late 1965 and early 1966. The data from this survey has now been determined to be inconclusive. Another seismic survey using equipment that reportedly obtains deep-formation penetration is planned by Texaco to be conducted in April 1967, the earliest date of availability of the equipment.

In order to provide time to obtain the information from the proposed seismic survey, Texaco has requested a six-month deferment.

Deferments of drilling requirements have been granted by the Commission dating from January 26, 1966, and extending through March 7, 1967.

Therefore, 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 TEXACO INC. A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2955.1 THROUGH SEPTEMBER 7, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.