

MINUTE ITEM

2/23/67

16. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2991.1, SANTA BARBARA COUNTY; UNION OIL COMPANY OF CALIFORNIA - W.O. 6456.

After consideration of Calendar Item 4 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO UNION OIL COMPANY OF CALIFORNIA A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2991.1 THROUGH SEPTEMBER 13, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 4 (1 page)

4.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2991.1, SANTA BARBARA COUNTY; UNION OIL COMPANY OF CALIFORNIA - W.O. 6456.

An application has been received from Union Oil Company of California requesting a deferment of drilling requirements under State Oil and Gas Lease P.R.C. 2991.1 from March 13, 1967, through September 13, 1967.

State Oil and Gas Lease P.R.C. 2991.1, containing approximately 4,250 acres of offshore tide and submerged lands in Santa Barbara County, was issued on February 28, 1963, to Union Oil Company of California, pursuant to competitive public bidding.

Union has drilled two wells on the lease to date. One was abandoned and one suspended. The last drilling operations on the lease were conducted on November 13, 1965, and the Commission, since March 13, 1966, has granted deferments of drilling requirements through March 13, 1967.

Union is currently evaluating a seismic survey of this lease and of two adjacent State leases that was conducted in November 1966, and recently drilled a well on a nearby State lease in order to select the best location for a proposed deep test on the subject lease. The well will require the use of a floating drilling vessel, and arrangements are now being made to obtain one that is capable of drilling a deep test. Union feels that another six-month deferment of drilling requirements will be required in order to properly prepare for the proposed well.

Therefore, 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 UNION OIL COMPANY OF CALIFORNIA A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2991.1 THROUGH SEPTEMBER 13, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.