

MINUTE ITEM

3/23/67

23. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 3133.1, SANTA BARBARA COUNTY; HUMBLE OIL & REFINING COMPANY - W.O. 6521.

After consideration of Calendar Item 19 attached, and upon motion duly made and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO HUMBLE OIL & REFINING COMPANY, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3133.1 THROUGH NOVEMBER 27, 1967, WITH ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 19 (1 page)

19.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 3133.1, SANTA BARBARA COUNTY; HUMBLE OIL & REFINING COMPANY - W.O. 6521.

An application has been received from Humble Oil & Refining Company, operator, requesting a deferment of drilling requirements from May 27, 1967, to November 27, 1967, under Oil and Gas Lease P.R.C. 3133.1, containing 5,535 acres more or less of tide and submerged lands in Santa Barbara County. This lease was issued May 28, 1964, to Humble Oil & Refining Company, pursuant to competitive public bidding.

Humble, in evaluating the lease, has drilled two core-holes and six deep exploratory tests.

Drilling operations on the lease have resulted in expenditures by Humble of more than \$4,947,500, which does not include the initial cash bonus paid to the State for the issuance of the lease, the evaluation expenses, the geological and geophysical costs, and the lease rentals.

Humble has agreed to give financial support to one and possibly two deep tests by another operator on an adjoining State lease; and anticipates that the additional geologic information gained thereby will aid in determining whether drilling of this portion of the lease is warranted. Therefore, a six-month deferment is requested to allow sufficient time for the drilling of the wells on the adjacent lease, and to use this information in conducting economic and geologic studies of the subject lease.

In conformance with current Commission practice of granting deferments of periods not in excess of six months,

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO HUMBLE OIL & REFINING COMPANY, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3133.1 THROUGH NOVEMBER 27, 1967, WITH ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.