

MINUTE ITEM

5/25/67

43. DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 3685-1, ALAMEDA COUNTY; McCULLOCH OIL CORPORATION OF CALIFORNIA - W.O. 6555.

After consideration of Calendar Item 16 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO McCULLOCH OIL CORPORATION OF CALIFORNIA A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3685.1 THROUGH DECEMBER 13, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 16 (1 page)

16.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 3685.1, ALAMEDA COUNTY; McCULLOCH OIL CORPORATION OF CALIFORNIA - W.O. 6555.

An application has been received from McCulloch Oil Corporation of California requesting a deferment of drilling requirements on State Oil and Gas Lease P.R.C. 3685.1, containing 64.71 acres more or less of land in Alameda County.

This lease was issued December 14, 1966, to McCulloch Oil Corporation of California, pursuant to competitive public bidding. The drilling term of the lease is six months.

McCulloch drilled one exploratory well approximately 1500 feet west of the State lease, which resulted in the discovery of 21.5° gravity oil at an initial production rate of 240 barrels of oil per day.

The lessee has requested an extension of the drilling term of the State lease in order to allow sufficient time to develop the field in an orderly manner around the discovery well located in the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ of Section 7, Township 3 South, Range 3 East.

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 McCULLOCH OIL CORPORATION OF CALIFORNIA A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3685.1 THROUGH DECEMBER 13, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.