

MINUTE ITEM

5/25/67

46. DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 2894.1, SANTA BARBARA COUNTY; STANDARD OIL COMPANY OF CALIFORNIA - W.O. 6598.

After consideration of Calendar Item 47 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., A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2894.1 THROUGH DECEMBER 27, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 47 (1 page)

47.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, OIL AND GAS LEASE P.R.C. 2894.1, SANTA BARBARA COUNTY; STANDARD OIL COMPANY OF CALIFORNIA - W.O. 6598.

An application has been received from Standard Oil Company of California, Western Operations, Inc., requesting a deferment of drilling requirements from June 27, 1967, through December 27, 1967, under State Oil and Gas Lease P.R.C. 2894.1, containing approximately 4,250 acres of offshore tide and submerged lands in Santa Barbara County. This lease was issued June 28, 1962, to Standard Oil Company of California and Shell Oil Company, pursuant to competitive public bidding.

To date, Standard, as operator for the lessees, has drilled two development wells, both of which are currently producing. According to Standard, in excess of \$2,808,682 has been expended in the development of the lease.

Drilling operations were last conducted on March 8, 1964, and deferments of drilling requirements have been granted by the Commission dating from June 27, 1965, and extending through June 27, 1967.

The operator is currently conducting a combined geological and engineering study of the field that may lead to additional drilling of exploratory wells to other prospective zones on the lease, and now requests an additional six months to continue these studies.

In conformance with the 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 STANDARD OIL COMPANY OF CALIFORNIA, WESTERN OPERATIONS, INC., A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 2894.1 THROUGH DECEMBER 27, 1967, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.