

MINUTE ITEM

6/22/67

19. DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2205.1, SANTA BARBARA COUNTY;  
PHILLIPS PETROLEUM COMPANY - W.O. 6621.

After consideration of Calendar Item 25 attached, and upon motion duly made  
and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO PHILLIPS PETROLEUM COMPANY  
A DEFERMENT OF DRILLING REQUIREMENTS UNDER STATE OIL AND GAS LEASE P.R.C.  
2205.1 THROUGH JANUARY 21, 1968, ALL OTHER TERMS AND CONDITIONS OF THE LEASE  
TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 25 (1 page)

25.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 2205.1, SANTA BARBARA COUNTY; PHILLIPS PETROLEUM COMPANY - W.O. 6621.

An application has been received from Phillips Petroleum Company, operator, requesting a deferment of drilling requirements from July 21, 1967, to January 21, 1968, under State Oil and Gas Lease P.R.C. 2205.1, containing 3,840 acres more or less of tide and submerged lands in Santa Barbara County. This lease was issued July 25, 1958, to Phillips Petroleum Company and Edwin W. Pauley, et al., pursuant to competitive public bidding.

Phillips, in developing the lease, drilled five exploratory test wells from a floating drilling barge, two redrilled test wells from the same barge, and five field development wells from an upland drillsite. An additional exploratory test well was drilled and abandoned in the southerly portion of the lease. Drilling operations on the lease were last conducted on March 24, 1964. Four of the development wells were completed as gas wells, but ceased producing in December 1966.

The operator estimates that in excess of \$5,034,000 has been expended in operations conducted to date, and believes that the known reservoir has been developed. Since June 22, 1961, the Commission has granted deferments of drilling requirements through July 21, 1967.

Phillips reports that concurrent studies of geological and geophysical data, relating to this lease and other leases in the area, were pursued during the time that the lease produced. These data are now being integrated with detailed geophysical data obtained from surveys conducted in the past 24 months in the area seaward of the subject lease.

The applicant requests a six-month's deferment of drilling requirements so that the above-mentioned information may be studied further, and conclusions reached with regard to further operation.

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 PHILLIPS PETROLEUM COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER STATE OIL AND GAS LEASE P.R.C. 2205.1 THROUGH JANUARY 21, 1968, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.