

MINUTE ITEM

6/22/67

27. QUITCLAIM OF OIL AND GAS LEASE P.R.C. 3487.2, SAN LUIS OBISPO COUNTY;
GETTY OIL COMPANY - W.O. 6612.

After consideration of Calendar Item 1 attached, and upon motion duly made
and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ACCEPT THE QUITCLAIM AND TO TERMINATE
OIL AND GAS LEASE P.R.C. 3487.2 EFFECTIVE MARCH 17, 1967, IN ACCORDANCE WITH
SECTION 5 OF THE LEASE, AS REQUESTED BY THE LESSEE, GETTY OIL COMPANY.

Attachment

Calendar Item 1 (1 page)

CALENDAR ITEM

6/67

1.

QUITCLAIM OF OIL AND GAS LEASE P.R.C. 3487.2, SAN LUIS OBISPO COUNTY; GETTY OIL COMPANY - W.O. 6612.

On May 26, 1966, Oil and Gas Lease P.R.C. 3487.2, covering 200 acres of State land, was issued to Getty Oil Company pursuant to competitive public bidding in accordance with Division 6 of the Public Resources Code. The lessee paid to the State the sum of \$5,794 as a cash bonus in consideration of the issuance of the lease, in addition to the first year's rent of \$5 per acre.

Shortly after acquiring the lease, Getty drilled a well near State lands, to a total depth of 7,057 feet, and redrilled to 6,007 feet, without encountering oil or gas in commercial quantities. The well was abandoned February 11, 1967.

The lessee has submitted a quitclaim dated March 17, 1967, to surrender and terminate the lease. Section 5 provides that the lessee may at any time file with the State a written quitclaim of all rights thereof, such quitclaim or relinquishment to be effective as of the date of its filing, subject to the continued obligation of the lessee and of his surety to make payments of all rental and royalties theretofore accrued. The lessee has complied fully with the requirements of the lease through March 17, 1967.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ACCEPT THE QUITCLAIM AND TO TERMINATE OIL AND GAS LEASE P.R.C. 3487.2 EFFECTIVE MARCH 17, 1967, IN ACCORDANCE WITH SECTION 5 OF THE LEASE, AS REQUESTED BY THE LESSEE, GETTY OIL COMPANY.