

16. ASSIGNMENT OF INTEREST IN LEASE P.R.C. 145.1, RINCON OIL FIELD, VENTURA COUNTY; AMERICAN METAL CLIMAX, INC., TO CRA, INC. - W.O. 6601.

After consideration of Calendar Item 14 attached, and upon motion duly made and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT TO CRA, INC., A KANSAS CORPORATION, OF THE INTEREST OF AMERICAN METAL CLIMAX, INC., IN STATE OIL AND GAS LEASE P.R.C. 145.1, SUBJECT TO THE FOLLOWING CONDITIONS:

1. NOTHING IN THE SUBLEASE OR IN THE APPROVAL SHALL RELEASE ANY OF THE PARTIES TO OIL AND GAS LEASE P.R.C. 145.1 FROM ANY OF THE DUTIES AND OBLIGATIONS OF THE LEASE OR FROM ANY OF THE DUTIES AND OBLIGATIONS CONTAINED IN THE OPERATING AGREEMENT DATED SEPTEMBER 1, 1944, FILED IN CONNECTION WITH LEASE P.R.C. 145.1;
2. THE APPROVAL, PURSUANT TO THE TERMS OF OIL AND GAS LEASE P.R.C. 145.1 AND SECTION 6804, PUBLIC RESOURCES CODE, SHALL NOT BE DEEMED A WAIVER OF STATUTORY REQUIREMENTS, IF ANY, OTHERWISE APPLICABLE TO TRANSFER OF INTERESTS IN OIL AND GAS LEASES; AND
3. SUBMISSION OF PROPER BOND BY THE LESSEE.

THE ASSIGNEE IS TO BE BOUND BY THE TERMS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEES.

Attachment

Calendar Item 14 (2 pages)

14.

ASSIGNMENT OF INTEREST IN LEASE P.R.C. 145.1, RINCON OIL FIELD, VENTURA COUNTY; AMERICAN METAL CLIMAX, INC., TO CRA, INC. - W.O. 6601.

On July 3, 1944, Oil and Gas Lease P.R.C. 145.1, containing approximately 326 acres, was issued to Beloil Corporation, Ltd., Lido Petroleum Company, and O.C. Field Gasoline Corporation, by competitive public bid in accordance with the Public Resources Code. The current lessees are Humble Oil & Refining Company, Neptune Corporation, Beloil Corporation, Sexton Corporation, G. L. Rosen, and American Metal Climax, Inc.

On April 27, 1954 (Minute Item 2, page 2052), the State Lands Commission approved a sublease from Beloil Corporation, Ltd., to Mr. Fred Goodstein of Beloil's interest in all zones underlying State Oil and Gas Lease P.R.C. 145.1 below a depth of 5500 feet. The approval was subject to the following conditions:

1. Nothing in the sublease or in the approval shall relieve any of the parties to Oil and Gas Lease P.R.C. 145.1 from any of the duties and obligations of the lease, or from any of the duties or obligations contained in the operating agreement dated September 1, 1944, filed in connection with Oil and Gas Lease P.R.C. 145.1.
2. The approval, pursuant to the terms of Oil and Gas Lease P.R.C. 145.1 and Section 6804 of the Public Resources Code, shall not be deemed a waiver of statutory requirements, if any, otherwise applicable to transfers of interests of oil and gas leases.

On July 15, 1957 (Minute Item 27, page 3362), the sublease was assigned to Trigood Oil Company. On March 28, 1963 (Minute Item 7, page 8726), the sublease was assigned to American Metal Climax, Inc. The conveyance from Trigood Oil Company to American Metal Climax was subject to a production payment reservation. The production payment has been paid in full, and an application has been received requesting approval of assignment of the sublease to CRA, Inc.

Section 4 of the lease provides for assignment or subleasing, with the approval of the State, to a corporation that possesses the qualifications required by the Public Resources Code. Evidence submitted shows that CRA, Inc., is qualified to hold a lease from the State.

The form of assignment has been executed by American Metal Climax, Inc., the assignor, and CRA, Inc., the assignee.

The \$5 statutory filing fee has been paid by the applicant.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT TO CRA, INC., A KANSAS CORPORATION, OF THE INTEREST OF AMERICAN METAL CLIMAX, INC., IN STATE OIL AND GAS LEASE P.R.C. 145.1, SUBJECT TO THE FOLLOWING CONDITIONS:

CALENDAR ITEM 14. (CONTD.)

1. NOTHING IN THE SUBLEASE OR IN THE APPROVAL SHALL RELEASE ANY OF THE PARTIES TO OIL AND GAS LEASE P.R.C. 145.1 FROM ANY OF THE DUTIES AND OBLIGATIONS OF THE LEASE OR FROM ANY OF THE DUTIES AND OBLIGATIONS CONTAINED IN THE OPERATING AGREEMENT DATED SEPTEMBER 1, 1944, FILED IN CONNECTION WITH LEASE P.R.C. 145.1;
2. THE APPROVAL, PURSUANT TO THE TERMS OF OIL AND GAS LEASE P.R.C. 145.1 AND SECTION 6804, PUBLIC RESOURCES CODE, SHALL NOT BE DEEMED A WAIVER OF STATUTORY REQUIREMENTS, IF ANY, OTHERWISE APPLICABLE TO TRANSFER OF INTERESTS IN OIL AND GAS LEASES; AND
3. SUBMISSION OF PROPER BOND BY THE LESSEE.

THE ASSIGNEE IS TO BE BOUND BY THE TERMS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEES.