MINUTE ITEM

22. DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 3177.1, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - W.O. 6856.

After consideration of Calendar Item 10 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE GRANTING TO SIGNAL OIL AND GAS COMPANY OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3177.1 THROUGH AUGUST 17, 1968, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment Calendar Item 10 (1 page)

10.

DEFERMENT OF DRILLING REQUIREMENTS

P.R.C.:

3177.1

LESSEE:

Signal Oil and Gas Company

COUNTY:

Orange

AREA:

Approximately 1,549 acres

ISSUED:

August 18, 1964

WORK COMPLETED ON LEASE:

Two wells drilled and abandoned

PREVIOUS DEFERMENTS:

From August 18, 1967, through February 17, 1968

THIS DEFERMENT.

From February 18, 1968, through August 17, 1968

REASON FOR REQUEST:

To continue studies of geological and geophysical

information

EXHIBIT:

A. Location map

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE GRANTING TO SIGNAL OIL AND GAS COMPANY OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3177.1 THROUGH AUGUST 17, 1968, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.