

MINUTE ITEM

1/26/68

28. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LAND, SACRAMENTO AND SOLANO COUNTIES - W.O. 6830.

After consideration of Calendar Item 21 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE OFFERING OF A PARCEL OF TIDE AND SUBMERGED LAND IN SACRAMENTO AND SOLANO COUNTIES FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE.

THE LEASE AWARD IS TO BE MADE TO THE QUALIFIED BIDDER OFFERING THE HIGHEST CASH-BONUS PAYMENT IN CONSIDERATION OF THE ISSUANCE OF THE OIL AND GAS LEASE.

THE BID-LEASE FORM TO BE USED SHALL BE THE FORM APPROVED AND ADOPTED BY THE COMMISSION ON APRIL 29, 1965 (MINUTE ITEM 32, PAGE 11,152), AS MODIFIED BY COMMISSION ACTION ON JULY 12, 1966 (MINUTE ITEM 31, PAGE 12,869), AND BY CHAP. 7, STATS. 1966, 2ND E.S. THE LEASE RENTAL IS TO BE \$1.00 PER ACRE PER YEAR, AND THE DRILLING TERM IS TO BE ONE YEAR. WITHIN 60 DAYS FROM AND AFTER THE DATE OF THE CESSATION OF DRILLING OPERATIONS IN THE FIRST WELL, THE LESSEE SHALL COMMENCE OPERATIONS FOR THE DRILLING OF THE NEXT WELL. OPERATIONS FOR THE DRILLING OF EACH SUCCEEDING WELL THEREAFTER SHALL COMMENCE WITHIN 60 DAYS FROM AND AFTER THE CESSATION OF DRILLING OPERATIONS IN THE PRECEDING WELL. THE PERFORMANCE BOND IS TO BE IN THE PENAL SUM OF \$20,000.

THE AREA PROPOSED TO BE OFFERED, DESIGNATED AS W.O. 6830, IS DESCRIBED IN EXHIBIT "A" ATTACHED AND MADE A PART HEREOF.

Attachment

Calendar Item 21 (2 pages)

21.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LAND, SACRAMENTO AND SOLANO COUNTIES - W.O. 6830.

On November 30, 1967, the Commission authorized proceeding, as required by Section 6873.2 of the Public Resources Code, with the publication of a notice that the Commission intends to consider offering a lease for the extraction of oil and gas from an area of tide and submerged land in the natural channel of the Sacramento River, in the counties of Solano and Sacramento. The Public Resources Code provides that any affected city or county may, within 30 days after the publication of such notice, request in writing to the Commission that a hearing be held with respect thereto. The notice was published December 14 and 21, 1967; the 30-day period has elapsed, and no request that a hearing is desired has been received.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE OFFERING OF A PARCEL OF TIDE AND SUBMERGED LAND IN SACRAMENTO AND SOLANO COUNTIES FOR OIL AND GAS LEASE, PURSUANT TO DIVISION 6 OF THE PUBLIC RESOURCES CODE.

THE LEASE AWARD IS TO BE MADE TO THE QUALIFIED BIDDER OFFERING THE HIGHEST CASH-BONUS PAYMENT IN CONSIDERATION OF THE ISSUANCE OF THE OIL AND GAS LEASE.

THE BID-LEASE FORM TO BE USED SHALL BE THE FORM APPROVED AND ADOPTED BY THE COMMISSION ON APRIL 29, 1965 (MINUTE ITEM 32, PAGE 11,152), AS MODIFIED BY COMMISSION ACTION ON JULY 12, 1966 (MINUTE ITEM 31, PAGE 12,869), AND BY CHAP. 7, STATS. 1966, 2ND E.S. THE LEASE RENTAL IS TO BE \$1.00 PER ACRE PER YEAR, AND THE DRILLING TERM IS TO BE ONE YEAR. WITHIN 60 DAYS FROM AND AFTER THE DATE OF THE CESSATION OF DRILLING OPERATIONS IN THE FIRST WELL, THE LESSEE SHALL COMMENCE OPERATIONS FOR THE DRILLING OF THE NEXT WELL. OPERATIONS FOR THE DRILLING OF EACH SUCCEEDING WELL THEREAFTER SHALL COMMENCE WITHIN 60 DAYS FROM AND AFTER THE CESSATION OF DRILLING OPERATIONS IN THE PRECEDING WELL. THE PERFORMANCE BOND IS TO BE IN THE PENAL SUM OF \$20,000.

THE AREA PROPOSED TO BE OFFERED, DESIGNATED AS W.O. 6830, IS DESCRIBED IN EXHIBIT "A" ATTACHED AND MADE A PART HEREOF.

Attachment: Exhibit "A"

(Sovereign Lands)

A parcel of tide and submerged land underlying the natural channel of the Sacramento River in Solano and Sacramento Counties, California, more particularly described as follows:

COMMENCING at a point designated as Point "Q", which point is located South $16^{\circ} 11' 15''$ East, 3861 feet from a certain concrete monument known as United States Geological Survey Pier No. 4, which monument is located on the north side of the Sacramento River on a hill about 500 feet northeasterly from a machine shop at Toland's Landing in Solano County, California, said point "Q" being also located on the southerly boundary and South $55^{\circ} 07' 30''$ West, 730.6 feet from the southeast corner of the first tract of land to which fee simple title was conveyed by Mrs. Laura E. Wood to the City of Sacramento, by deed dated June 17, 1912, and recorded July 27, 1912, in Book 359 of Deeds, page 454, and subsequently conveyed by City of Sacramento to United States Government on October 31, 1912; thence from said point, South $56^{\circ} 44' 45''$ West 690.3 feet to the northeast corner of that certain 27.82-acre tract of land described as an exception in the conveyance by M. J. Fontana and wife to the State of California, recorded June 7, 1917 in Book 470 of Deeds at page 106 Sacramento County Records; thence South $56^{\circ} 44' 45''$ West 2355.7 feet; thence South $60^{\circ} 32' 45''$ West 1689.0 feet to the northwest corner of said 27.82-acre tract; thence North $0^{\circ} 18'$ West 350 feet more or less to a point on the natural left bank of the Sacramento River, said Point being the TRUE POINT OF BEGINNING; thence North $14^{\circ} 0'$ West, 1350 feet more or less across the natural channel to the natural right bank of the Sacramento River; thence northeasterly along said right bank of the natural channel of the Sacramento River to the intersection of a line projected between a point known as United States Geological Survey Pier No. 4 and a point which is the southwest corner of Swamp and Overflowed Lands Survey No. 530 of Sacramento County, said line also being the southwesterly boundary of State Gas Lease Easement No. 415; thence southeasterly along said line 900 feet more or less to a point on the natural left bank of the Sacramento River; thence southwesterly along the left bank of the natural channel of the Sacramento River to the TRUE POINT OF BEGINNING, containing 140 acres more or less.