

24. DEFERMENT, DRILLING REQUIREMENTS, P.R.C. 3601.1, SACRAMENTO AND CONTRA COSTA COUNTIES; SIGNAL OIL AND GAS COMPANY - W.O. 6943.

After consideration of Calendar Item 5 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. 3601.1 THROUGH OCTOBER 19, 1968; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 5 (1 page)

CALENDAR ITEM

4/68
W.O. 6943

5.

DEFERMENT OF DRILLING REQUIREMENTS

P.R.C.: 3601.1

LESSEE: Signal Oil and Gas Company

COUNTY: Sacramento and Contra Costa

AREA: San Joaquin and False Rivers

ISSUED: September 26, 1966

WORK COMPLETED ON LEASE: Signal Oil and Gas Company drilled well P.R.C. 3601 No. 1 into State land to a depth of 8,280 feet without encountering oil or gas in commercial quantity. The well was abandoned February 20, 1968.

PREVIOUS DEFERMENTS: From September 26, 1967, through March 25, 1968

THIS DEFERMENT: From April 20, 1968, through October 19, 1968

REASON FOR REQUEST: Under the terms of the lease, the lessee must commence drilling of the second well within 60 days from and after February 20, 1968. The lessee requests additional time to evaluate the results of the first test in order to determine if another test is warranted on the lease.

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. 3601.1 THROUGH OCTOBER 19, 1968; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.