

13. RESCISSION OF AUTHORIZATION TO GRANT DRILLING DEFERMENT AND QUITCLAIM OF OIL AND GAS LEASE P.R.C. 3685.1, SOUTH BAY AQUEDUCT, ALAMEDA COUNTY; McCULLOCH OIL CORPORATION OF CALIFORNIA - W.O. 7232, P.R.C. 3685.1.

After consideration of Calendar Item 18 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION:

1. RESCINDS ITS RESOLUTION OF NOVEMBER 21, 1968 (MINUTE ITEM 34, PAGE 1384), THAT AUTHORIZED THE GRANTING OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3685.1.
2. AUTHORIZES THE ACCEPTANCE OF A QUITCLAIM TO TERMINATE OIL AND GAS LEASE P.R.C. 3685.1 EFFECTIVE DECEMBER 3, 1968, IN ACCORDANCE WITH SECTION 5 OF THE LEASE, AS REQUESTED BY THE LESSEE, McCULLOCH OIL CORPORATION OF CALIFORNIA.

Attachment

Calendar Item 18 (1 page)

18.

RESCISSION OF AUTHORIZATION TO GRANT DRILLING DEFERMENT  
AND  
QUITCLAIM OF OIL AND GAS LEASE P.R.C. 3685.1

LESSEE: McCulloch Oil Corporation of California

LOCATION: South Bay Aqueduct, Alameda County

ACREAGE: 64.71 acres

REASON FOR QUITCLAIM: Based on current geological evaluation of the Livermore prospect, which is supported by dry holes drilled around the perimeter of the producing area, the productive limits of the field appear to be confined to the present productive area. As a result, McCulloch is surrendering the lands believed to be outside the producing area.

PREREQUISITE ITEMS: a. Quitclaim submitted by Lessee, dated December 3, 1968

b. Compliance with terms and conditions of the lease through December 3, 1968

## OTHER PERTINENT INFORMATION:

On September 13, 1968, McCulloch Oil Corporation requested a deferment of lease-drilling requirements. On November 21, 1968 (Minute Item 34, page 1,384), the Commission authorized the granting of a deferment of drilling requirements through June 13, 1969. Since that time McCulloch has drilled and abandoned a dry hole near the northwest portion of the lease.

## IT IS RECOMMENDED THAT THE COMMISSION:

1. RESCIND ITS RESOLUTION OF NOVEMBER 21, 1968 (MINUTE ITEM 34, PAGE 1,384), THAT AUTHORIZED THE GRANTING OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 3685.1.
2. AUTHORIZE THE ACCEPTANCE OF A QUITCLAIM TO TERMINATE OIL AND GAS LEASE P.R.C. 3685.1 EFFECTIVE DECEMBER 3, 1968, IN ACCORDANCE WITH SECTION 5 OF THE LEASE, AS REQUESTED BY THE LESSEE, McCULLOCH OIL CORPORATION OF CALIFORNIA.