12. EXTENSION OF PERMITS TO PROSPECT FOR GEOTHERMAL RESOURCES, PRCs 3828.2, 3829.2, 3830.2, 3831.2 AND 3832.2, GEYSERS AREA, SONOMA AND MENDOCINO COUNTIES; SIGNAL OIL AND GAS COMPANY - W 9372.

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

IN ACCORDANCE WITH SECTION 6910 OF GEOTHERMAL RESOURCES ACT OF 1967, THE COM-MISSION AUTHORIZES THE EXTENSION OF PERMITS TO PROSPECT FOR GEOTHERMAL RESOURCES PRCs 3828.2, 3829.2, 3830.2, 3831.2, AND 3832.2, ISSUED TO SIGNAL OIL AND GAS COMPANY, FOR A PERIOD OF TWO YEARS OR FROM MAY 25, 1971, THROUGH MAY 24, 1973.

Attachment:

Calendar Item 21 (1 page)

CALENDAR ITEM

21.

EXTENSION OF PERMITS TO PROSPECT FOR GEOTHERMAL RESOURCES PRCs 3828.2, 3829.2, 3830.2, 3831.2 AND 3832.2

PERMITTEE:

Signal Oil and Gas Company.

LCCATION:

Geysers Area, Sonoma and Mendocino (Sunties.

ACREAGE:

1,942.40 acres.

TYPE OF LAND:

Patented school land, reserved mineral interests.

EXPIRATION DATE:

May 24, 1971.

PREREQUISITE ITEMS:

Applications submitted by permittee.

b. Statutory filing fees paid.

WORK PERFORMED: Signal has spent in excess of \$500,000 drilling two exploratory wells in the immediate vicinity of the subject permits (see Exhibit "A"). Additionally, aero-magnetic and gravity surveys, infra-red surveys, geothermal well logging and geochemical studies have been conducted on the permit areas and are being evaluated.

CONSIDERATION:

\$1.942.40 per annum.

OTHER PERTINENT INFORMATION:

Permits to Prospect for Geothermal Resources PRCs 3828.2, 3829.2, 3830.2, 3831.2, and 3832.2 were issued to R. G. Flood, J. T. Sink, E. V. Prati, and P. H. Flood on May 24, 1968, under Section 6891 of the Public Resources Code, for a primary term of two years. The permittee applied for conversion of the permits under the Geothermal Resources Act of 1967, and the primary term of the permits was revised to three years in accordance with Section 6910 of said Act. On August 1, 1970, the permits were assigned to Signal Oil and Gas Company. On May 24, 1971, the primary three-year term of the permits expires, and the permittee has requested a two-year extension for further evaluation of the data obtained during the primary term.

IT IS RECOMMENDED THAT, IN ACCORDANCE WITH SECTION 6910 OF GEOTHE MAL RESOURCES ACT OF 1967, THE COMMISSION AUTHORIZE THE EXTENSION OF PERMITS TO PROSPECT FOR GENTHERMAL RESOURCES PRCs 3828.2, 3829.2, 3830.2, 3831.2, AND 3832.2, ISSUED TO SIGNAL OIL AND GAS COMPANY, FOR A PERIOD OF TWO YEARS OR FROM MAY 25, 1971, THROUGH MAY 24, 1973.