

10. ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE PRC 145.1 FROM CRA, INC., TO TERRA RESOURCES, INC.; TIDE AND SUBMERGED LAND, RINCON FIELD, VENTURA COUNTY - W 9185, PRC 145.1.

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

THE COMMISSION AUTHORIZES THE APPROVAL OF THE ASSIGNMENT TO TERRA RESOURCES, INC., OF THE 25% INTEREST OF CRA, INC., LYING BELOW A DEPTH OF 5500 FEET BELOW SEA LEVEL IN OIL AND GAS LEASE PRC 145.1, WITH THE ASSIGNEE TO BE BOUND BY THE TERMS AND CONDITIONS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.

Attachment:

Calendar Item 21 (1 page)

CALENDAR ITEM

21.

9/71
W 9185
EGJ

ASSIGNMENT OF INTEREST IN OIL AND GAS LEASE PRC 145.1

ASSIGNOR: CRA, Inc.
ASSIGNEE: Terra Resources, Inc.
LOCATION: Rincon Field, Ventura County.
ACREAGE: 326.
TYPE OF LAND: Tide and submerged.
PREREQUISITE ITEMS: a. Assignment executed by assignor and assignee.
b. Assignee qualified to hold State lease.
c. Bond submitted by assignee (\$100,000).
d. Statutory filing fee (\$25) paid.

OTHER PERTINENT INFORMATION:

Oil and Gas Lease PRC 145.1 was issued to Beloil Corp., Ltd., Lido Petroleum Company, and O. C. Field Gasoline Corp. on July 3, 1944. The current lessees are Petrol Industries, Inc. (62½% all zones), Beloil Corporation (25% above 5500 ft.), Sexton Corporation (12½% above 5500 ft.), Gerald K. Rosen (12½% below 5500 ft.), and CRA, Inc. (25% below 5500 ft.). An application has been received to approve the assignment of the undivided 25 percent interest of CRA, Inc., in that portion of the lease lying below a depth of 5,500 feet below sea level to Terra Resources, Inc.

STATUTORY AND OTHER REFERENCES:

Section 4 of the lease provides that the lease may not be assigned, transferred or sublet except with the written consent of the State.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF THE ASSIGNMENT TO TERRA RESOURCES, INC., OF THE 25% INTEREST OF CRA, INC., LYING BELOW A DEPTH OF 5500 FEET BELOW SEA LEVEL IN OIL AND GAS LEASE PRC 145.1, WITH THE ASSIGNEE TO BE BOUND BY THE TERMS AND CONDITIONS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.