

MINUTE ITEM

5/31/73  
WFY

12. AUTHORIZE DEFERMENT OF DRILLING REQUIREMENTS, SACRAMENTO AND FALSE RIVERS, SACRAMENTO AND CONTRA COSTA COUNTIES; SIGNAL OIL AND GAS COMPANY - W 9619, PFC 3601.1.

After consideration of Calendar Item 10 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION GRANTS TO SIGNAL OIL AND GAS COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE PRC 3601.1, TO BE MADE RETROACTIVE FROM OCTOBER 19, 1972, THROUGH OCTOBER 19, 1973. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment:

Calendar Item 10 (1 page)

CALENDAR ITEM

10.

5/73  
WFY  
W 9619

DEFERMENT OF DRILLING REQUIREMENTS

LEASE: PRC 3601.1.  
LESSEE: Signal Oil and Gas Company.  
COUNTIES: Sacramento and Contra Costa.  
AREA: San Joaquin and False Rivers.  
ISSUED: September 26, 1966.

WORK COMPLETED ON LEASE:

Signal has drilled and abandoned one well on the lease and has conducted seismic work in the area.

PREVIOUS DEFERMENTS:

From April 20, 1972, through October 19, 1972.

THIS DEFERMENT: October 19, 1972, through October 19, 1973.

PERTINENT INFORMATION:

At the time the subject lease was due for an extension of drilling requirements, Signal was in the process of relocating its corporate offices from Los Angeles, California, to Houston, Texas. During this transition, they inadvertently overlooked the expiration of the previous drilling deferment (October 19, 1972). However, at this time, negotiations were proceeding for the drilling of another test well in the area. Signal has now completed negotiations with a third party to drill the second test well later this year. All rentals have been paid to date. Signal now requests a one-year deferment retroactive to October 19, 1972.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION GRANT TO SIGNAL OIL AND GAS COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE PRC 3601.1, TO BE MADE RETROACTIVE FROM OCTOBER 19, 1972, THROUGH OCTOBER 19, 1973. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.