

MINUTE ITEM

2/6/74
WFY

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

After consideration of Calendar Item 13 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, 1973, THROUGH SEPTEMBER 25, 1974. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment:

Calendar Item 13 (1 page)

CALENDAR ITEM

1/74
WFY
W 9619

13.

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 October 19, 1972, through October 19, 1973.

THIS DEFERMENT: October 19, 1973, through September 25, 1974.

PERTINENT INFORMATION:

In March 1973 Signal negotiated a drilling agreement with Dow Chemical Company which included a commitment by Dow to drill a well in the area. Due to shortages of equipment and supplies, Signal has been forced to grant the operator extensions of the obligation date. Signal has requested a drilling deferment from October 19, 1973, and to continue through September 25, 1974. All rentals have been paid to date.

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, 1973, THROUGH SEPTEMBER 25, 1974. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.