

MINUTE ITEM

7/24/75
WFY

23. DEFERMENT OF DRILLING REQUIREMENTS, SOVEREIGN LAND AT WEST SHERMAN ISLAND, SACRAMENTO AND SOLANO COUNTIES; DOW CHEMICAL COMPANY - W 9841, PRC 4973.

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

THE COMMISSION GRANTS TO DOW CHEMICAL COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER HYDROCARBON GAS LEASE PRC 4973, FROM NOVEMBER 21, 1975, THROUGH NOVEMBER 21, 1976. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment:

Calendar Item 21 (2 pages)

A 5, 9
S 4, 6

CALENDAR ITEM

21.

7/75
WFY
W 9841

DEFERMENT OF DRILLING REQUIREMENTS

LEASE: PRC 4973.

LESSEE: Dow Chemical Company
3636 Richmond Avenue
Houston, Texas 77027

AREA, TYPE LAND AND LOCATION:
3,048 acres, more or less, of sovereign
land at West Sherman Island, Sacramento
and Solano Counties.

ISSUED: November 21, 1974.

PREVIOUS DEFERMENTS: None.

THIS DEFERMENT: November 21, 1975, through November 21,
1976.

PERTINENT INFORMATION: Hydrocarbon gas lease was issued on
November 21, 1974, to Dow Chemical
Company. Dow Chemical submitted
the only qualified bid of 42% royalty
on all dry gas, gas liquids and liquid
hydrocarbons produced. The lease
provides that lessee shall commence
drilling operations within one year
of date of issuance.

The lessee's proposed drilling opera-
tions require the construction of a pile
supported platform at the specified
drillsite. The lessee has been unable
to acquire all required agency permits
for the proposed construction operations
to permit drilling to be commenced by
November 21, 1975. Section 23(c) of
the lease provides that the lessee
shall be allowed reasonable time
following the execution of the lease
within which to secure the necessary
permission from all Federal and
State agencies as shall be legally
required for the construction of

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any drilling platform or associated structure, and upon securing of such permission, a further reasonable time, determined with regard to the nature of the filled lands or structures to be constructed within which to commence operations for the drilling of such well or wells. All rentals (\$5.00 per acre per year) have been paid to date. The lessee, Dow Chemical Company, has requested a one-year deferment of the primary drilling term.

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION GRANT TO DOW CHEMICAL COMPANY A DEFERMENT OF DRILLING REQUIREMENTS UNDER HYDROCARBON GAS LEASE PRC 4973, FROM NOVEMBER 21, 1975, THROUGH NOVEMBER 21, 1976. ALL OTHER TERMS AND CONDITIONS OF THE LEASE ARE TO REMAIN IN FULL FORCE AND EFFECT.