

MINUTE ITEM

13. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 186.1, MONTEREY OIL COMPANY, SEAL BEACH, ORANGE COUNTY - W.O. 3464.

After consideration of Calendar Item 46 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO GRANT TO THE MONTEREY OIL COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 TO APRIL 15, 1960, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 46 (1 page)

CALENDAR ITEM

46.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 186.1, MONTEREY OIL COMPANY, SEAL BEACH, ORANGE COUNTY - W.O. 3464.

Oil and Gas Lease P.R.C. 186.1, issued September 24, 1945, pursuant to competitive public bidding in accordance with the provisions of Division 6 of the Public Resources Code, is now held by Monterey Oil Company and Texaco Inc., with Monterey Oil Company designated as operator.

On May 28, 1959 (Minute Item 15, page 4856), the Commission authorized a deferment of drilling requirements to October 15, 1959, in order to conduct remedial work on a number of producing wells.

During the period of drilling deferment, the remedial work conducted by the operator on four wells and the redrilling of two wells resulted in a material increase in the lease production. Following these operations, the operator has completed two new wells on the leased area.

The Monterey Oil Company has requested a further deferment of lease drilling requirements until April 15, 1960, in order to complete operations on a well currently being redrilled, and to redrill another well unproducable because of unrecoverable tubing in the bottom of the hole. Thereafter, in the interest of good safety practice before drilling a new well, it is proposed to overhaul completely the drilling derrick which has been in service for several years.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO THE MONTEREY OIL COMPANY, OPERATOR, A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 186.1 TO APRIL 15, 1960, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.