MINUTE ITEM

7. ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 986.1, M & H OIL CORPORATION TO HAMMIL OIL CORPORATION, HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3964.

After consideration of Calendar Item 17 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 986.1, HUNTINGTON BEACH FIELD, ORANGE COUNTY, FROM M & H OIL CORPORATION TO HAMMIL OIL CORPORATION, SUBJECT TO THE FULFILLMENT BY THE ASSIGNEE OF THE BOND REQUIREMENTS OF THE LEASE AND THE SUBMISSION OF THE FORM OF CONSENT BY THE TOWNSITE ASSOCIATION TO THE ASSIGNMENT OF THE UPLAND CROSSING RIGHT-OF-WAY.

Attachment
Calendar Item 17 (1 page)

CALENDAR ITEM

17.

ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 986.1, M & H OIL CORPORATION TO HAMMIL OIL CORPORATION, HUNTINGTON BEACH, ORANGE COUNTY - W.O. 3964.

M & H Oil Corporation, lessee under Easement No. 286, issued March 1, 1934, extended and renewed under State Oil and Gas Lease Extension and Renewal P.R.C. 986.1, issued March 1, 1954, for ten years and so long thereafter as oil or gas is produced in paying quantities, has submitted an application for the assignment of the subject lease to Hammil Oil Corporation.

The drilled course of the well operating under Lease P.R.C. 986.1 also traverses uplands under the jurisdiction of the Huntington Beach Townsite Association.

Section 4 of the lease states in part "This lease may not be assigned,... except with the written consent of the State...."

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF OIL AND GAS LEASE P.R.C. 986.1, HUNTINGTON BEACH FIELD, ORANGE COUNTY, FROM M & H OIL CORPORATION TO HAMMIL OIL CORPORATION, SUBJECT TO THE FULFILLMENT BY THE ASSIGNEE OF THE BOND REQUIREMENTS OF THE LEASE AND THE SUBMISSION OF THE FORM OF CONSENT BY THE TOWNSITE ASSOCIATION TO THE ASSIGNMENT OF THE UPLAND CROSSING RIGHT-OF-WAY.

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