

MINUTE ITEM

18. REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 1466.1, RINCON OIL FIELD, VENTURA COUNTY; RICHFIELD OIL CORPORATION - W.O. 4590.

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 GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1466.1 FOR THE PERIOD JANUARY 1, 1963, THROUGH JUNE 30, 1963, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment

Calendar Item 17 (1 page)

CALENDAR ITEM

17.

REQUEST FOR DEFERMENT OF DRILLING REQUIREMENTS, P.R.C. 1466.1, RINCON OIL FIELD, VENTURA COUNTY; RICHFIELD OIL CORPORATION - W.O. 4590.

State Oil and Gas Lease P.R.C. 1466.1, covering approximately 1,175 acres of tide and submerged lands in the Rincon Field, Ventura County, was issued on August 29, 1955, to the Richfield Oil Corporation, pursuant to competitive public bidding in accordance with Division 6 of the Public Resources Code. The lease was amended in accordance with the provisions of Section 6873 of the Public Resources Code by Commission action on May 13, 1958 (Minute Item 6, page 4014), in order to permit the lessee to take advantage of the more flexible development and operating conditions authorized.

Preliminary exploration on the leased land disclosed that the oil-bearing sands found on this property were too shallow to be developed properly from upland drillsites. In order to provide an offshore drillsite, Richfield constructed an earth-fill island at a cost in excess of \$4,000,000. To date, 46 producing oil wells have been drilled from this island, and one producing well has been completed on the ocean floor. It appears that the 46 wells drilled heretofore can drain adequately all of that portion of the producing structure that can be developed economically from the island drillsite.

On June 28, 1962 (Minute Item 16, page 8067), the Commission granted a deferment of the drilling requirements through December 31, 1962. The Richfield Oil Corporation has submitted an application requesting a further deferment of lease drilling requirements for the period January 1, 1963, through June 30, 1963, in order to continue studies to determine the feasibility of drilling additional wells into the leased land from other locations.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO GRANT TO RICHFIELD OIL CORPORATION A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE P.R.C. 1466.1 FOR THE PERIOD JANUARY 1, 1963, THROUGH JUNE 30, 1963, ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.