

MINUTE ITEM

31. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 5040 (PARCEL 18A), P.R.C. 3120.1.

After consideration of Calendar Item 29 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE HIGHEST QUALIFIED BID MADE BY RICHFIELD OIL CORPORATION, A DELAWARE CORPORATION, AND SOCONY MOBIL OIL COMPANY, INC., A NEW YORK CORPORATION, ON APRIL 9, 1964, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR THE 3.324 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5040 (PARCEL 18A), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 5040, PUBLISHED MARCH 17 AND MARCH 24, 1964. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$352,111.15, AS OFFERED IN THE BID.

Attachment
Calendar Item 29 (2 pages)

CALENDAR ITEM

29.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 5040 (PARCEL 18A).

On April 9, 1964, two bids were received in response to a published Notice of Intention of the State Lands Commission to enter into a lease for the extraction of oil and gas from 3,324 acres more or less of tide and submerged lands, designated as W.O. 5040 (parcel 18A), Santa Barbara County. This offer was authorized by the Commission on February 26, 1964 (Calendar Item No. 23).

All bids submitted were reviewed by the staff as to technical sufficiency and economic factors. The office of the Attorney General reviewed the highest bid submitted by the Richfield Oil Corporation and Socony Mobil Oil Company, Inc., and determined:

- A. That the Commission has complied with the procedural requirements of law;
- B. That the bid submitted conforms with:
 - 1. The bid requirements specified in the proposals of the Commission;
 - 2. The applicable provisions of law; and
 - 3. The rules and regulations of the Commission.

A summary tabulation of the bonus-payment offers received pursuant to the lease proposal is attached (Exhibit "A").

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE HIGHEST QUALIFIED BID MADE BY RICHFIELD OIL CORPORATION, A DELAWARE CORPORATION, AND SOCONY MOBIL OIL COMPANY, INC., A NEW YORK CORPORATION, ON APRIL 9, 1964, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDERS FOR THE 3,324 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5040 (PARCEL 18A), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 5040, PUBLISHED MARCH 17 AND MARCH 24, 1964. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$352,111.15, AS OFFERED IN THE BID.

Attachment
Exhibit "A"

W.O. 5040

EXHIBIT "A"

SUMMARY

PARCEL 18A

Bidder

Cash-Bonus Offer

Richfield Oil Corporation and
Socony Mobil Oil Company, Inc.

\$352,111.15

Standard Oil Company of California and
Humble Oil & Refining Company

339,050.00