

MINUTE ITEM

24. PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, ORANGE COUNTY -
W.O. 5170 (PARCEL 20A), P.R.C. 3177.1.

After consideration of Calendar Item 7 attached, and upon motion duly
made and unanimously carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE HIGHEST QUALIFIED BID, MADE ON JULY 16, 1964,
BY SIGNAL OIL AND GAS COMPANY, A DELAWARE CORPORATION, AND AUTHORIZES
THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID
BIDDER FOR 3,420 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED
AS W.O. 5170 (PARCEL 20A), IN ORANGE COUNTY, AS DETAILED IN THE NOTICE OF
INTENTION PUBLISHED JUNE 11 AND JUNE 18, 1964. THE CASH-BONUS PAYMENT IN
CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,651,000, AS OFFERED IN
THE BID.

Attachment
Calendar Item 7 (2 pages)

CALENDAR ITEM

7.

PROPOSED OIL AND GAS LEASE, TIDE AND SUBMERGED LANDS, ORANGE COUNTY -
W.O. 5170 (PARCEL 20A).

On July 16, 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 3,420 acres more or less of tide and submerged lands designated as W.O. 5170, Parcel 20A, Orange County. This offer was authorized by the Commission on May 28, 1964 (Calendar Item page 100).

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 of \$3,651,000 submitted by Signal Oil and Gas Company, 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 as specified in the proposal of the Commission;
 - 2. 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 ON JULY 16, 1964, BY SIGNAL OIL AND GAS COMPANY, A DELAWARE CORPORATION, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR 3,420 ACRES MORE OR LESS OF TIDE AND SUBMERGED LANDS DESIGNATED AS W.O. 5170 (PARCEL 20A), IN ORANGE COUNTY, AS DETAILED IN THE NOTICE OF INTENTION PUBLISHED JUNE 11 AND JUNE 18, 1964. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$3,651,000, AS OFFERED IN THE BID.

Attachment
Exhibit "A"

W.G. 5170

EXHIBIT "A"

SUMMARY

PARCEL 20A

Bidder

Cash-Bonus Offer

Signal Oil and Gas Company

\$3,651,000.00

Socony Mobil Oil Company, Inc.
and Union Oil Company of California

\$2,428,750.00