

MINUTE ITEM

6/15/66

9. PROPOSED OIL AND GAS LEASE, SUBMERGED LANDS, SANTA BARBARA COUNTY -
W.O. 6100 (PARCEL 40), P.R.C. 3499.1.

After consideration of Supplemental Calendar Item 9 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION ACCEPTS THE BID MADE BY PHILLIPS PETROLEUM COMPANY AND PAN PETROLEUM COMPANY, INC., ON JUNE 13, 1966, AND AUTHORIZES THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR APPROXIMATELY 1,340 ACRES OF SUBMERGED LANDS DESIGNATED AS W.O. 6100 (PARCEL 40), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 6100, PUBLISHED APRIL 6, 1966, AND APRIL 13, 1966. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$335,000 AS OFFERED IN THE BID.

Attachment

Supplemental Calendar Item 9 (2 pages)

9.

PROPOSED OIL AND GAS LEASE, SUBMERGED LANDS, SANTA BARBARA COUNTY - W.O. 6100 (PARCEL 40).

On June 13, 1966, 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 approximately 1,340 acres of submerged lands designated as W.O. 6100 (Parcel 40), Santa Barbara County. This offer was authorized by the Commission on March 31, 1966 (Minute Item 33, pages 12,450-454).

The 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 Phillips Petroleum Company and Pan Petroleum 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 as 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 as Exhibit "A".

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE BID MADE BY PHILLIPS PETROLEUM COMPANY AND PAN PETROLEUM COMPANY, INC., ON JUNE 13, 1966, AND AUTHORIZE THE EXECUTIVE OFFICER TO ISSUE AN OIL AND GAS LEASE TO THE AFORESAID BIDDER FOR APPROXIMATELY 1,340 ACRES OF SUBMERGED LANDS DESIGNATED AS W.O. 6100 (PARCEL 40), IN SANTA BARBARA COUNTY, AS DETAILED IN THE NOTICE OF INTENTION, W.O. 6100, PUBLISHED APRIL 6, 1966, AND APRIL 13, 1966. THE CASH-BONUS PAYMENT IN CONSIDERATION OF ISSUANCE OF THE LEASE IS TO BE \$335,000 AS OFFERED IN THE BID.

Attachment
Exhibit "A"

W.O. 6100
(Parcel 40)

EXHIBIT "A"

Summary

Parcel 40

Bidder

Cash-Bonus Offer

Phillips Petroleum Company, and
Pan Petroleum Company, Inc.

\$ 335,000.00

Standard Oil Company of California, and
Humble Oil & Refining Company

\$ 304,565.00