

MINUTE ITEM

3/1/71
CVB

15. CONVEYANCE OF INTERESTS, ALLIED CHEMICAL CORPORATION TO PAULEY PETROLEUM INC., CONTRACTORS' AGREEMENT, LONG BEACH UNIT, WILMINGTON OIL FIELD.

After consideration of Calendar Item 20 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE "CONVEYANCE OF INTERESTS, LONG BEACH UNIT, WILMINGTON OIL FIELD" AS SUBMITTED BY THE CITY OF LONG BEACH, IN RELATION TO THE INTEREST OF ALLIED CHEMICAL CORPORATION, RESULTING FROM EXECUTION BY PAULEY PETROLEUM INC. AND ALLIED CHEMICAL CORPORATION (AS NONOPERATING CONTRACTOR WITH 10% CONTRACTOR'S PERCENTAGE) OF CONTRACTORS' AGREEMENT, LONG BEACH UNIT, WILMINGTON OIL FIELD.

THE APPROVAL OF THIS CONVEYANCE IS SUBJECT TO ITS CONCURRENT APPROVAL BY THE CITY MANAGER OF THE CITY OF LONG BEACH.

Attachment:

Calendar Item 20 (1 page)

CONVEYANCE OF INTERESTS, ALLIED CHEMICAL CORPORATION TO PAULEY PETROLEUM INC., CONTRACTORS' AGREEMENT, LONG BEACH UNIT, WILMINGTON OIL FIELD.

Pauley Petroleum Inc. and Allied Chemical Corporation hold the nonoperating contract for a 10% undivided share of the Contractors' Agreement, Long Beach Unit. Article 25 of the Contractors' Agreement provides, in part:

"None of the Contractors nor any of their successors or assigns shall have the right or power to assign, hypothecate, pledge, or in any manner dispose of its rights, privileges or obligations under this agreement, or any part thereof, without first obtaining the written consent of, and subject to such terms and conditions as may be prescribed by, the City Manager, with the approval of the State."

The City of Long Beach, pursuant to Article 25, above, has submitted a document entitled "Conveyance of Interests, Long Beach Unit, Wilmington Oil Field", for State Lands Commission approval.

Under the terms of this conveyance, Pauley Petroleum Inc. will acquire the entire interest of Allied Chemical Corporation as a nonoperating contractor in the Long Beach Unit, retroactively as of January 1, 1971.

The Office of the Attorney General has advised that the Commission may properly approve the document as submitted.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE "CONVEYANCE OF INTERESTS, LONG BEACH UNIT, WILMINGTON OIL FIELD" AS SUBMITTED BY THE CITY OF LONG BEACH, IN RELATION TO THE INTEREST OF ALLIED CHEMICAL CORPORATION, RESULTING FROM EXECUTION BY PAULEY PETROLEUM INC. AND ALLIED CHEMICAL CORPORATION (AS NON-OPERATING CONTRACTOR WITH 10% CONTRACTOR'S PERCENTAGE) OF CONTRACTORS' AGREEMENT, LONG BEACH UNIT, WILMINGTON OIL FIELD.

THE APPROVAL OF THIS CONVEYANCE SHALL BE SUBJECT TO ITS CONCURRENT APPROVAL BY THE CITY MANAGER OF THE CITY OF LONG BEACH.