12. DEFERMENT OF DRILLENG REQUIREMENTS; STATE OIL AND GAS LEASE PRC 3601.1, SAN JOAQUIN RIVER AND FALSE RIVER, SACRAMENTO AND CONTRA COSTA COUNTIES; SIGNAL OIL AND GAS COMPANY - 11 9459, PRC 3601.1.

After consideration of Calendar Item 19 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE GRANTING TO SIGNAL OIL AND GAS COMPANY OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE PRC 3601.1 THROUGH APRIL 19, 1972; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.

Attachment: Calendar Item 19 (1 page) 19.

DEFERMENT OF DRILLING REQUIREMENTS PRC 3601.1

LESSEE:

Signal Oil and Gas Company.

COUNTY:

Sacramento and Contra Costa counties.

AREA:

San Joaquin River and False River.

ISSUED:

September 26, 1966.

WORK COMPLETED ON LEASE:

Signal has drilled and abandoned one well on the lease and

has conducted seismic work in the area.

PREVIOUS DEFERMENTS:

From April 20, 1971, through October 19, 1971.

THIS DEFERMENT: From October 20, 1971, through April 19, 1972.

REASON FOR REQUEST:

Signal is planning to conduct additional seismic surveys in the area of the lease, and additional time will be

needed to complete such surveys.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE GRANTING TO SIGNAL OIL AND GAS COMPANY OF A DEFERMENT OF DRILLING REQUIREMENTS UNDER OIL AND GAS LEASE PRC 3601.1 THROUGH APRIL 19, 1972; ALL OTHER TERMS AND CONDITIONS OF THE LEASE TO REMAIN IN FULL FORCE AND EFFECT.