

MINUTE ITEM

This Calendar Item No. 35
was approved as Minute Item
No. 35 by the State Lands
Commission by a vote of 3
to 0 at its 10-29-79
meeting.

CALENDAR ITEM
35.

10/79
PRC 5481.1
Willard

QUITCLAIM OF SUBSURFACE
OIL AND GAS LEASE PRC 5481.1

LESSEE: Chevron U.S.A., Inc.
575 Market Street
San Francisco, California 94105

LOCATION: Sacramento River, between Freeport Boulevard
and Oak Hall Bend, Sacramento and Yolo
Counties.

ACREAGE: 205 acres.

TYPE OF LAND: Tide and submerged.

REASON FOR QUITCLAIM:
Well "Shimada" No. 1 was drilled by lessee
from private land through the lease hold
bottoming in private land at a total depth
of 7800'. It did not encounter any economic
hydrocarbon accumulations.

PREREQUISITE TERMS:

- A. Quitclaim submitted by lessee.
- B. Compliance by lessee with terms and conditions of the lease through October 1, 1979 (date of submission of quitclaim), including payment in advance of annual rental of \$3,075.00 and abandonment of the well in accordance with the rules and regulations of the Commission.

OTHER PERTINENT INFORMATION:

Subsurface Oil and Gas Lease PRC 5481.1 was issued October 13, 1978, to Chevron U.S.A., INC. Chevron slant drilled from well "Shimada" No. 1 (Section 32, T8N, R4E, from N.E. corner 2200 S., 900' W., MDB&M.) 7800' to a bottom hole location 650' E. of the Sacramento River.

Economically producible reserves were not encountered and the well was plugged and abandoned on February 25, 1979.

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STATUTORY AND OTHER REFERENCES:

A. Sections 7 and 28 of the lease.

B. P.R.C., Section 6804.1

EXHIBIT:

A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION ACCEPT THE QUITCLAIM DEED OF OIL AND GAS LEASE PRC 5481.1, EFFECTIVE OCTOBER 1, 1979, ON FILE IN THE OFFICE OF THE COMMISSION.

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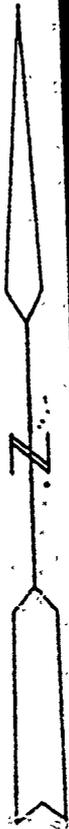
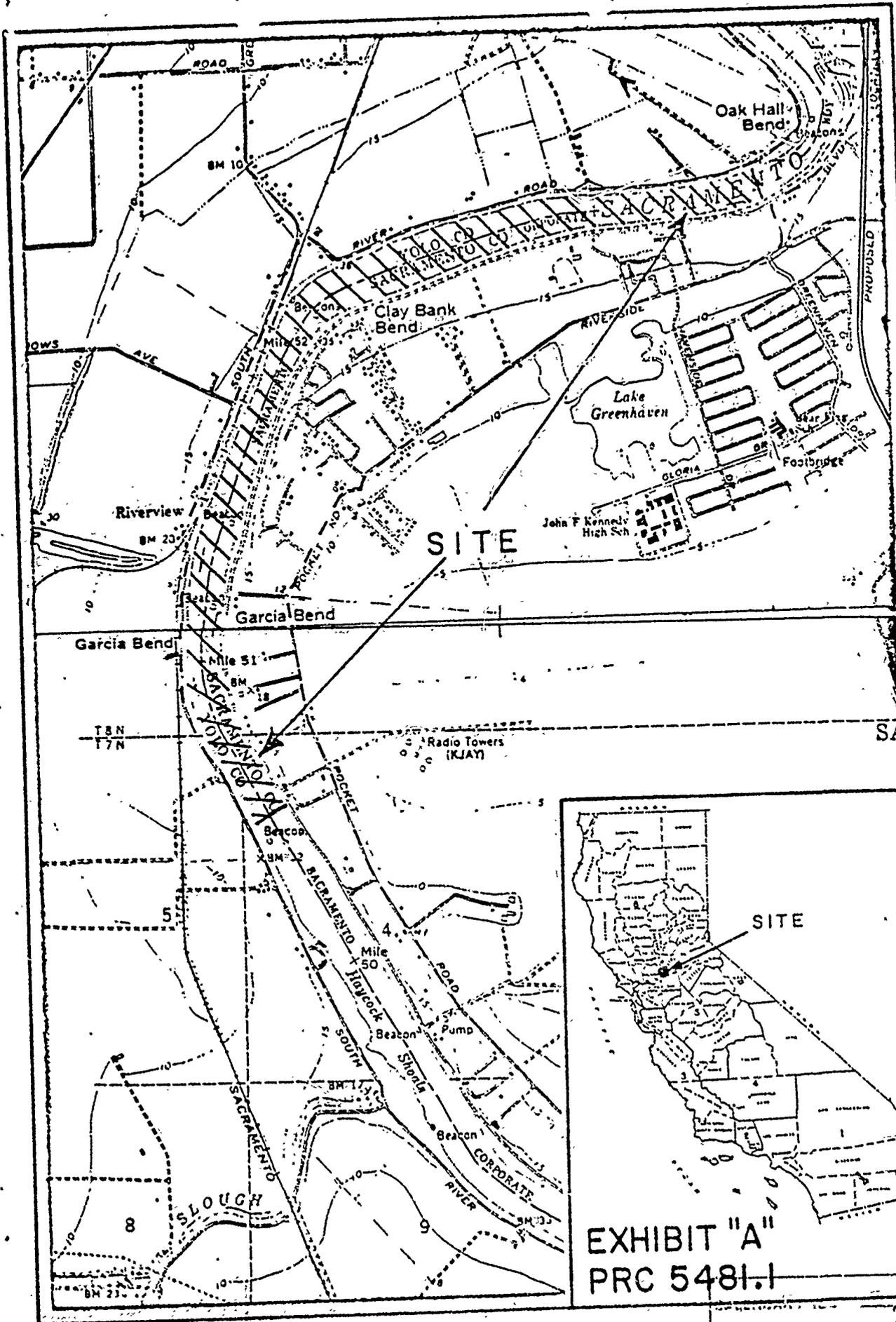


EXHIBIT "A"
 PRC 5481.1

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