MINUTE ITEM
This Calendar Item No. C81
was approved as Minute Item
No. 81 by the State Lands
Commission by a vote of 3
to Ø at its 11-26-01
meeting.

CALENDAR ITEM
C81

A 8, 10, 15, 17

S 4, 5, 7

11/26/01
PRC 714.1
A. Nitsche

CONSIDER APPROVAL OF PARTIAL ASSIGNMENT OF INTEREST IN STATE GAS LEASE NO. PRC 714.1, FURTH 1-15 UNIT, MELLO 1-10 UNIT, GEORGIANA SLOUGH, SACRAMENTO COUNTY

ASSIGNOR:

OXY Resources California, LLC
Attn: Mr. Michael D. Gooding
P. O. Box 1002
Tupman, CA 93276

ASSIGNEE:

Mr. Jim Graham
4 Hill Court
Rio Vista, CA 94571

AREA, LAND TYPE, AND LOCATION:

State Gas Lease No. 714.1 (Lease) contains approximately 350 acres of tide and submerged lands in the bed of Georgiana Slough in Sacramento County.

BACKGROUND:

State Gas Lease No. PRC 714.1 was entered into on or about April 18, 1952, between the California State Lands Commission (Commission) and the Brazos Oil Company (Lessee). Through a series of assignments and name changes, EOG Resources, Inc. (EOG), became the lessee under the Lease.

On August 26, 1997, the Commission consented to the pooling of a 13.041 acres portion of the lands covered by PRC 714.1 into the "Furth 1-15 Unit" as promulgated under that certain Declaration of Pooling, dated July 1, 1997 (as shown on Exhibit B-1, attached hereto). On December 8, 1998, the Commission

consented to the pooling of a 14.1 acre portion of the lands covered by PRC 714.1 into the "Mello 1-10 Unit' as promulgated under that certain Declaration of Pooling, dated July 1, 1998, (as shown in Exhibit B-2 attached hereto). Each of the units was formed for the development and production of natural gas.

On April 24, 2001, the Commission consented to partial assignment of EOG's 100 percent (100%) interest in Oil and Gas Lease PRC 714.1, insofar and only insofar as said lease covers lands and interests included in the "Furth 1-15 Unit" and the "Mello 1-10 Unit" to Oxy Resources California, LLC. Oxy Resources California, LLC is now requesting that the Commission approve assignment of this same interest in Gas Lease No. PRC 714.1 (insofar and only insofar as said lease covers lands and interest included in the "Furth 1-15 Unit" and the "Mello 1-10 Unit") to Mr. Jim Graham. The "Mello 1-10 Unit" and the "Furth 1-15 Unit" last produced in December 2000. Mr. Graham is planning to return these units to production.

STATUTORY AND OTHER REFERENCES:

A. Section 4 of the Lease.
B. Public Resources Code section: 6804

OTHER PERTINENT INFORMATION

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

   Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

2. Assignment forms and prerequisite filing fees have been paid by Mr. Jim Graham.

EXHIBITS:

B-1. Furth 1-15 Unit Declaration of Pooling and Location Map
B-2. Mello 1-20 Unit Declaration of Pooling and Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

CONSENT TO THE ASSIGNMENT OF 100 PERCENT (100%) INTEREST IN STATE GAS LEASE NO. PRC 714.1, INSOFAR AND ONLY INSOFAR AS SAID LEASE COVERS LANDS AND INTERESTS INCLUDED IN THE "FURTH 1-15 UNIT" "MELLO 1-10 UNIT" AS SUCH UNITS WERE APPROVED BY THE COMMISSION ON AUGUST 26, 1997, AND DECEMBER 9, 1998, RESPECTIVELY, FROM OXY RESOURCES CALIFORNIA, LLC, TO MR. JIM GRAHAM, WITH THE ASSIGNEE TO BE BOUND BY ALL THE TERMS AND CONDITIONS OF THE LEASE.

AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE ANY DOCUMENT NECESSARY TO IMPLEMENT THIS ASSIGNMENT.

Recording Requested by and return to:
ENRON OIL & GAS COMPANY
1625 Broadway, Suite 1300
Denver, Colorado 80202

PRC 714

EXHIBIT B-1

DECLARATION OF POOLING
FURTH 1-15 UNIT
Sacramento County, California

THIS DECLARATION OF POOLING made and declared effective the 1st day of July, 1997, by ENRON OIL & GAS COMPANY, 1625 Broadway, Suite 1300, Denver, Colorado 80202, hereinafter referred to as "Lessee".

WITNESSETH:

THAT WHEREAS, Lessee is the owner of certain oil, gas and mineral leasehold estates covering lands situated in Sacramento County, California and which said leasehold estates are more particularly identified in Exhibit "A" and depicted on Exhibit "A-1" attached hereto and by this reference made a part hereof, and hereinafter referred to as "Leases"; and

WHEREAS , Lessee, in order to facilitate the orderly development of said Leases and to promote the conservation of oil, gas and other hydrocarbon substances, desires to combine and pool said Leases for the purposes herein expressed.

NOW, THEREFORE, by virtue of the authority conferred in said Leases, as modified and amended of record, Lessee does hereby combine and pool those portions of said Leases which are included within the boundary of the operating unit established hereby as shown on Exhibit "A-1" into a one hundred and twenty (120) acre operating unit for the production of gas, gas distillate and condensate, hereinafter referred to as "pooled substances", said operating unit to be known as the Furth 1-15 Unit. The effect on said Leases of drilling, developing, producing and any and all other operations within the Furth 1-15 Unit, and the payment of royalties, shall be provided for in each respective lease(s) pooled hereby.

Lessee expressly reserves the right to amend and supplement this Declaration of Pooling at its discretion so long as any such Supplemental Declaration of Pooling does not violate the terms of said Leases or rules and regulations of any controlling governmental or regulatory body having jurisdiction of said Leases, or both.

This Declaration of Pooling may be executed in any number of counterparts, each counterpart to be considered an original document for all purposes.

IN WITNESS WHERE, this Declaration of Pooling is executed as of the day and year first hereinabove written.

ENRON OIL & GAS COMPANY

By:_____
D. Weaver
Agent and Attorney-in-Fact

CALENDAR PAGE 00421
MINUTE PAGE [illegible]

EXHIBIT "A"

Attached to and made a part of that certain Declaration of Pooling for the Furth 1-15 Unit dated effective July 1, 1997

1. Oil and Gas Lease dated March 23, 1995, by and between Gordon L. Furth, Herman B. Zelles and Wynne S. Furth as Managing Agents of the Lavenson Properties, Lessor, and West Coast Land Service, Lessee, recorded in Book 950530 at Page 1291, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

2. Oil and Gas Lease dated January 23, 1996, by and between Western Farm Credit Bank, Lessor, and Petroleum Properties Corporation, Lessee, recorded in Book 960716 at Page 299, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

CALENDAR PAGE 00422
MINUTE PAGE

3. Oil and Gas Lease dated July 5, 1993, by and between Lester H. Himoto, Lessor, and Casex Co., Lessee, recorded in Book 930907 at Page 439, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

4. Oil and Gas Lease dated April 18, 1952, by and between the State of California (P.R.C. 714), acting by and through the State Lands Commission, Lessor, and Brazos Oil and Gas Company, Lessee, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

CALENDAR PAGE 00423
MINUTE PAGE

5. Oil and Gas Lease dated June 27, 1997, by and between the Reclamation District No. 556, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Book at Page , Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

6. Oil and Gas Lease dated July 9, 1997, by and between Donna Obert Blower, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Book at Page , Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East
Portion of Sections 15 and 16

That real property in Swamp Land Surveys 360, 340 and 341, situate in projected Sections 15 and 16, Township 4 North, Range 4 East, Mount Diablo Base and Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point on the North line of Swamp Land Survey 360, said point being distant South 88° 29' 00" East 1041.08 feet from the Southeast corner of Swamp Land Survey 322; thence, from said POINT OF BEGINNING, along the North line of Swamp Land Survey 360 and its Easterly projection, South 88° 29' 00" East 1409.92 feet to a point on the East bank of Georgiana Slough; thence, along said East bank South 13° 36' 10" East 175.00 feet; thence leaving said East bank South 88° 24' 00" East 1692.30 feet; thence South 00° 37' 30" West 1024.79 feet; thence South 67° 15' 06" West 1934.50 feet; thence North 88° 29' 00" West 1400.00 feet; thence North 01° 31' 00" East 1961.53 feet to the point of beginning and containing 120.00 acres of land, more or less.

CALENDAR PAGE 00434
MINUTE PAGE

STATE OF COLORADO)
) ss
COUNTY OF DENVER)

On _____ before me, Erin Britt-Pendery, Notary Public, personally appeared D. Weaver

☒personally known to me - OR - ☐ proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

_____

My Commission Expires:
2-23-98

m:\rgm\4222.doc

CALENDAR PAGE 00425
MINUTE PAGE _____

R 4 E

EXHIBIT B

PRC 714

T 4 N

8 9 10 11

FURTH 1-15

Eagle Tree

17 16 15

20 21 22

Tyler Island

Sacramento Co.

Joaquin Co.

29 28 27

Staten Island

EXHIBIT "A-1"

FURTH 1-15 UNIT BOUNDARY
Sections 15 & 16, T4N – R4E, M.D.B. & M.
Sacramento County, California
(120 acres)

ENRON Oil & Gas Company

LOCATION MAP
FURTH 1-15 UNIT
Sacramento County, California

CALENDAR PAGE 0426
MINUTE PAGE

Scale:	Map ID	Author	Date:
2"=1mile	riv-furth2	RGM	8-18-

Recording Requested by and return to:
ENRON OIL & GAS COMPANY
1625 Broadway, Suite 1300
Denver, Colorado 80202

PRC 714

EXHIBIT B-2

DECLARATION OF POOLING
MELLO 1-10 UNIT
Sacramento County, California

THIS DECLARATION OF POOLING made and declared effective the 1st day of July, 1998, by ENRON OIL & GAS COMPANY, 1625 Broadway, Suite 1300, Denver, Colorado 80202, hereinafter referred to as "Lessee".

WITNESSETH:

THAT WHEREAS, Lessee is the owner of certain oil, gas and mineral leasehold estates covering lands situated in Sacramento County, California and which said leasehold estates are more particularly identified in Exhibit "A" and depicted on Exhibit "A-1" attached hereto and by this reference made a part hereof, and hereinafter referred to as "Leases"; and

WHEREAS , Lessee, in order to facilitate the orderly development of said Leases and to promote the conservation of oil, gas and other hydrocarbon substances, desires to combine and pool said Leases for the purposes herein expressed.

NOW, THEREFORE, by virtue of the authority conferred in said Leases, as modified and amended of record, Lessee does hereby combine and pool those portions of said Leases which are included within the boundary of the operating unit established hereby as shown on Exhibit "A-1" into a one hundred and twenty (120) acre operating unit for the production of gas, gas distillate and condensate, hereinafter referred to as "pooled substances", said operating unit to be known as the Mello 1-10 Unit. The effect on said Leases of drilling, developing, producing and any and all other operations within the Mello 1-10 Unit, and the payment of royalties, shall be provided for in each respective lease(s) pooled hereby.

Lessee expressly reserves the right to amend and supplement this Declaration of Pooling at its discretion so long as any such Supplemental Declaration of Pooling does not violate the terms of said Leases or rules and regulations of any controlling governmental or regulatory body having jurisdiction of said Leases, or both.

This Declaration of Pooling may be executed in any number of counterparts, each counterpart to be considered an original document for all purposes.

IN WITNESS WHERE, this Declaration of Pooling is executed as of the day and year first hereinabove written.

ENRON OIL & GAS COMPANY

By: _____
James D. Lightner
Agent and Attorney-in-Fact

CALIFORNIA STATE LAND COMMISSION

BY: _____
Title: _____

CALENDAR PAGE 00427
MINUTE PAGE

(m:\rgm\4750.doc)

EXHIBIT "A"
Attached to and made a part of that certain Declaration of Pooling for the Mello 1-10 Unit dated effective July 1, 1998

1. Oil and Gas Lease dated June 4, 1993, by and between Mello Farms, Inc., Lessor, and Enron Oil & Gas Company, Lessee, recorded in Book 940526, Page 892, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Surveys 339 and 340, situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California and being more particularly described as follows:

Beginning at a point that is distant North 58° 29' 16" East, 1503.58 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, South 89° 56' 42" East, 990.06 feet; thence North 00° 55' 13" West, 1970.68 feet to the North boundary line of said Parcel A; thence, along said North boundary line, North 77° 00' 20" West, 860.16 feet to a point on the East bank of Georgiana Slough; thence, Southwesterly, following the meanders of the East bank of Georgiana Slough, the following seven (7) courses: (1) South 38° 13' 00" West, 79.58 feet; (2) South 67° 29' 40" West, 151.54 feet; (3) South 88° 47' 50" West, 138.81 feet; (4) North 88° 31' 30" West, 194.06 feet; (5) South 80° 20' 50" West, 250.55 feet; (6) South 66° 25' 20" West, 257.50 feet; and (7) South 62° 35' 30" West, 216.30 feet; thence, leaving said East bank, South 00° 01' 13" East, 478.90 feet; thence South 89° 57' 18" East, 403.60 feet; thence South 00° 33' 43" East, 330.02 feet; thence South 89° 56' 42" East 330.02 feet; thence South 00° 33' 43" East 330.02 feet; thence South 89° 56' 42" East 330.02 feet; thence South 00° 33' 43" East 660.04 feet to the point of beginning and containing 70.395 acres of land, more or less.

2a. Oil and Gas Lease dated May 9, 1995, by and between Pooie Ying Fong, George L. Fong, Eleanor A. Fong, Henry L. Fong, Audrey H. Fong, John L. Fong, Eydinfrid Fong, Lessors, and Petroleum Properties Corporation, Lessee, recorded in Book 950628, Page 1427, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Survey 338, situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California and being more particularly described as follows:

Beginning at a point on the North boundary line of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; said point being distant the following four (4) courses from the Southwest corner of said Parcel A: (1) North 58° 29' 16" East, 1503.58 feet; (2) South 89° 56' 42" East, 990.06 feet; (3) North 00° 55' 13" West, 1970.68 feet to the North boundary line of said Parcel A; and (4) along said North boundary line North 77° 00' 20" West, 272.17 feet; thence, from said POINT OF BEGINNING, leaving said North boundary line, North 00° 33' 43" West 923.72 feet; thence North 89° 56' 42" West 383.61 feet; thence North 00° 33' 43" West 330.01 feet; thence North 89° 56' 42" West 330.02 feet; thence North 00° 33' 43" West 330.02 feet; thence North 89° 56' 53" West 825.56 feet to a point on the East bank of Georgiana Slough; thence, Southeasterly, following the meanders of the East bank of Georgiana Slough, the following seven (7) courses: (1) South 45° 00' 20" East 401.83 feet; (2) South 30° 45' 20" East, 411.84 feet; (3) South 32° 15' 20" East, 146.52 feet; (4) South 45° 00' 20" East, 266.64 feet; (5) South 33° 45' 20" East, 243.54 feet; (6) South 28° 45' 20" East, 215.16 feet; and (7) South 09° 29' 40" West 112.86 feet to the North boundary line of said Parcel A; thence, along said North boundary line South 77° 00' 20" East 588.04 feet to the point of beginning and containing 25.113 acres of land, more or less.

CALENDAR PAGE 00478
MINUTE PAGE

(m:\rgm\4750.doc)

STATE OF COLORADO)
) ss
CITY AND COUNTY OF DENVER)

On October 8, 1998 before me, Karen S. Erwin, Notary Public, personally appeared James D. Lightner, Agent and Attorney-In-Fact

☒ personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

NOTARY PUBLIC

WITNESS my hand and official seal.

My Commission Expires:
June 25, 1999

STATE OF _____)
) ss
COUNTY _____)

On _____ before me, _____, Notary Public, personally appeared _____

☒ personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

My Commission Expires:

(m:\rgm\4750.doc)

CALENDAR PAGE 00429
MINUTE PAGE [illegible]

2b. Oil and Gas Lease dated May 22, 1995, by and between Ruth L. Durbin, Lessor, and Petroleum Properties Corporation, Lessee, recorded in Book 950626, Page 1427, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Survey 338, situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California and being more particularly described as follows:

Beginning at a point on the North boundary line of of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; said point being distant the following four (4) courses from the Southwest corner of said Parcel A: (1) North 58° 29' 16" East, 1503.58 feet; (2) South 89° 56' 42" East, 990.06 feet; (3) North 00° 55' 13" West, 1970.68 feet to the North boundary line of said Parcel A; and (4) along said North boundary line North 77° 00' 20" West, 272.17 feet; thence, from said POINT OF BEGINNING, leaving said North boundary line, North 00° 33' 43" West 923.72 feet; thence North 89° 56' 42" West 383.61 feet; thence North 00° 33' 43" West 330.01 feet; thence North 89° 56' 42" West 330.02 feet; thence North 00° 33' 43" West 330.02 feet; thence North 89° 56' 53" West 825.56 feet to a point on the East bank of Georgiana Slough; thence, Southeasterly, following the meanders of the East bank of Georgiana Slough, the following seven (7) courses: (1) South 45° 00' 20" East 401.83 feet; (2) South 30° 45' 20" East, 411.84 feet; (3) South 32° 15' 20" East, 146.52 feet; (4) South 45° 00' 20" East, 266.64 feet; (5) South 33° 45' 20" East, 243.54 feet; (6) South 28° 45' 20" East, 215.16 feet; and (7) South 09° 29' 40" West 112.86 feet to the North boundary line of said Parcel A; thence, along said North boundary line South 77° 00' 20" East 588.04 feet to the point of beginning and containing 25.113 acres of land, more or less.

2c. Oil and Gas Lease dated May 25, 1995, by and between Mary Schuler Henderson and William Nelson Lindsay Hutchinson, Jr., Lessors, and Petroleum Properties Corporation, Lessee, recorded in Book 950628, Page 1422, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Survey 338, situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California and being more particularly described as follows:

Beginning at a point on the North boundary line of of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; said point being distant the following four (4) courses from the Southwest corner of said Parcel A: (1) North 58° 29' 16" East, 1503.58 feet; (2) South 89° 56' 42" East, 990.06 feet; (3) North 00° 55' 13" West, 1970.68 feet to the North boundary line of said Parcel A; and (4) along said North boundary line North 77° 00' 20" West, 272.17 feet; thence, from said POINT OF BEGINNING, leaving said North boundary line, North 00° 33' 43" West 923.72 feet; thence North 89° 56' 42" West 383.61 feet; thence North 00° 33' 43" West 330.01 feet; thence North 89° 56' 42" West 330.02 feet; thence North 00° 33' 43" West 330.02 feet; thence North 89° 56' 53" West 825.56 feet to a point on the East bank of Georgiana Slough; thence, Southeasterly, following the meanders of the East bank of Georgiana Slough, the following seven (7) courses: (1) South 45° 00' 20" East 401.83 feet; (2) South 30° 45' 20" East, 411.84 feet; (3) South 32° 15' 20" East, 146.52 feet; (4) South 45° 00' 20" East, 266.64 feet; (5) South 33° 45' 20" East, 243.54 feet; (6) South 28° 45' 20" East, 215.16 feet; and (7) South 09° 29' 40" West 112.86 feet to the North boundary line of said Parcel A; thence, along said North boundary line South 77° 00' 20" East 588.04 feet to the point of beginning and containing 25.113 acres of land, more or less.

CALENDAR PAGE 00430
MINUTE PAGE [illegible]

(m:\rgm\4750.doc)

3. Oil and Gas Lease dated April 18, 1952, by and between the State of California, (P.R.C. 714) acting by and through the State Lands Commission, Lessor, and Brazos Oil and Gas Company, Lessee, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, being a portion of Georgiana Slough and being more particularly described as follows:

Beginning at a point on the East bank of Georgiana Slough that is distant North 04° 32' 06" East, 2593.87 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, Easterly, Northerly and Northwesterly, following the meanders of the East bank of Georgiana Slough, the following fourteen (14) courses: (1) North 62° 35' 30" East, 216.30 feet; (2) North 66° 25' 20" East, 257.50 feet; (3) North 80° 20' 50" East, 250.55 feet; (4) South 88° 31' 30" East, 194.06 feet; (5) North 88° 47' 50" East, 138.81 feet; (6) North 67° 29' 40" East, 151.54 feet; (7) North 38° 13' 00" East, 79.58 feet; (8) North 09° 29' 40" East, 112.86 feet; (9) North 28° 45' 20" West, 215.60 feet; (10) North 33° 45' 20" West, 243.54 feet; (11) North 45° 00' 20" West, 266.64 feet; (12) North 32° 15' 20" West, 146.52 feet; (13) North 30° 45' 20" West, 411.84 feet; and (14) North 45° 00' 20" West, 401.83 feet; thence, leaving said East bank, North 89° 56' 53" West, 231.20 feet; thence South 00° 14' 19" East, 137.50 feet to a point on the West bank of Georgiana Slough; thence, Southeasterly, Southerly, and Southwesterly, following the meanders of the West bank of Georgiana Slough, the following twelve (12) courses: (1) South 56° 20' 08" East, 118.93 feet; (2) South 45° 50' 08" East, 170.00 feet; (3) South 38° 50' 08" East 90.00 feet; (4) South 30° 50' 08" East 166.52 feet; (5) South 42° 14' 02" East 173.01 feet; (6) South 39° 17' 40" East 581.50 feet; (7) South 41° 29' 52" East 103.41 feet; (8) South 07° 38' 42" East 126.02 feet; (9) South 44° 31' 18" West 106.08 feet; (10) South 85° 42' 38" West 406.96 feet; (11) South 68° 36' 58" West 390.00 feet; and (12) South 57° 37' 08" West 87.57 feet; thence, leaving said West bank South 00° 01' 13" East 205.53 feet to the point of beginning and containing 14.098 acres of land, more or less.

4a. Oil and Gas Lease dated March 10, 1998, by and between Mary Jane Serpa, Trustee of the Serpa Family Revocable Trust, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Document #199804151187, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Surveys 357 and 633 situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point that is distant North 03° 25' 02" East, 3254.37 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, North 87° 16' 06" East 844.01 feet to a point on the West bank of Georgiana Slough, thence, Northwesterly, following the meanders of the West bank of Georgiana Slough, North 39° 17' 40" West, 581.50 feet and North 42° 14' 02" West, 173.01 feet to the Southeast corner of Parcel "A", as shown on that Parcel Map, filed November 15, 1984, in Book 83 of Parcel Maps, at Page 32, Sacramento County Records; thence, along the South boundary line of said Parcel "A", South 82° 46' 00" West 363.77 feet; thence, leaving said South boundary line, South 00° 14' 19" East, 572.55 feet to the point of beginning and containing 8.250 acres of land, more or less.

CALENDAR PAGE 00431
MINUTE PAGE 16848

(m:\rgm\4750.doc)

4b. Oil and Gas Lease dated March 18, 1998, by and between Carol Duwain Silva, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Document #199804151186, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point that is distant North 03° 25' 02" East, 3254.37 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, North 87° 16' 06" East 844.01 feet to a point on the West bank of Georgiana Slough, thence, Northwesterly, following the meanders of the West bank of Georgiana Slough, North 39° 17' 40" West, 581.50 feet and North 42° 14' 02" West, 173.01 feet to the Southeast corner of Parcel "A", as shown on that Parcel Map, filed November 15, 1984, in Book 83 of Parcel Maps, at Page 32, Sacramento County Records; thence, along the South boundary line of said Parcel "A", South 82° 46' 00" West 363.77 feet; thence, leaving said South boundary line, South 00° 14' 19" East, 572.55 feet to the point of beginning and containing 8.250 acres of land, more or less.

4c. Oil and Gas Lease dated March 18, 1998, by and between Roslyn B. Silva, Trustee and Successor Trustee of the Roslyn B. Silva Trust dated December 27, 1990, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Document #199804151185, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point that is distant North 03° 25' 02" East, 3254.37 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, North 87° 16' 06" East 844.01 feet to a point on the West bank of Georgiana Slough, thence, Northwesterly, following the meanders of the West bank of Georgiana Slough, North 39° 17' 40" West, 581.50 feet and North 42° 14' 02" West, 173.01 feet to the Southeast corner of Parcel "A", as shown on that Parcel Map, filed November 15, 1984, in Book 83 of Parcel Maps, at Page 32, Sacramento County Records; thence, along the South boundary line of said Parcel "A", South 82° 46' 00" West 363.77 feet; thence, leaving said South boundary line, South 00° 14' 19" East, 572.55 feet to the point of beginning and containing 8.250 acres of land, more or less.

4d. Oil and Gas Lease dated March 10, 1998, by and between Georgia Silva, Lessor, and Enron Oil & Gas Company, Lessee, recorded in Document #199804151184, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point that is distant North 03° 25' 02" East, 3254.37 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records; thence, from said POINT OF BEGINNING, North 87° 16' 06" East 844.01 feet to a point on the West bank of Georgiana Slough, thence, Northwesterly, following the meanders of the West bank of Georgiana Slough, North 39° 17' 40" West, 581.50 feet and North 42° 14' 02" West, 173.01 feet to the Southeast corner of Parcel "A", as shown on that Parcel Map, filed November 15, 1984, in Book 83 of Parcel Maps, at Page 32, Sacramento County Records; thence, along the South boundary line of said Parcel "A", South 82° 46' 00" West 363.77 feet; thence, leaving said South boundary line, South 00° 14' 19" East, 572.55 feet to the point of beginning and containing 8.250 acres of land, more or less.

CALENDAR PAGE 004232
MINUTE PAGE

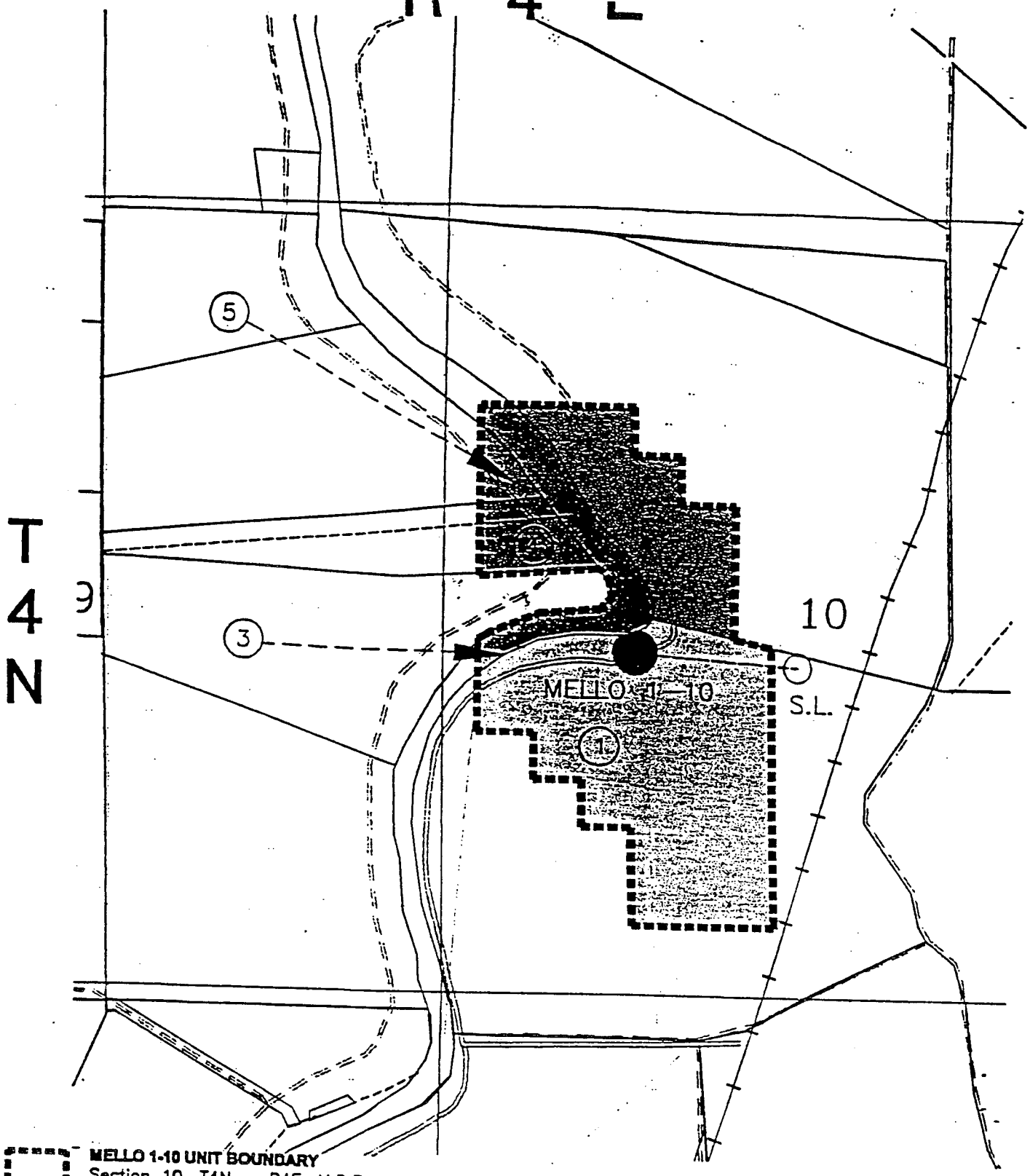
(m:\rgm\4750.doc)

5. Oil and Gas Lease dated May 10, 1995, by and between Marilyn Cooke Lawson, et al, Lessor, and West Coast Land Services, Lessee, recorded in Book 0329, Page 700, Official Records, Sacramento County, California, INSOFAR AND ONLY INSOFAR as said lease covers the following described lands:

That real property in Swamp Land Survey 357, situate in projected Section 10, Township 4 North, Range 4 East, Mount Diablo Meridian, Sacramento County, California, and being more particularly described as follows:

Beginning at a point that is distant North 03° 25' 02" East, 3254.37 feet and North 00° 14' 19" West 572.55 feet from the Southwest corner of Parcel A, as said Parcel appears on that Record of Survey, filed August 21, 1937, in Book 3 of Surveys, Map No. 100, Sacramento County Records, said point being also on the South boundary line of Parcel "A", as shown on that Parcel Map, filed November 15, 1984, in Book 83 of Parcel Maps, at Page 32, Sacramento County Records; thence, from said POINT OF BEGINNING, along the South boundary line of said Parcel "A", North 82° 46' 00" East 363.77 feet to a point on the West bank of Georgiana Slough; thence, Northwesterly, following the meanders of the West bank of Georgiana Slough, the following four (4) courses: (1) North 30° 50' 08" West 166.52 feet; (2) North 38° 50' 08" West 90.00 feet; (3) North 45° 50' 00" West 170.00 feet; and (4) North 56° 20' 08" West 118.93 feet; thence, leaving said West bank, South 00° 14' 19" East 443.26 feet to the point of beginning and containing 2.144 acres of land, more or less

(m:\rgm\4750.doc)



MELLO 1-10 UNIT BOUNDARY
Section 10, T4N – R4E, M.D.B. & M.
Sacramento County, California (120 acres)

1	71185-000	70.395 ac	58.7%
2	71315-001,002,003	25.113 ac	20.9%
3	71248-000	14.098 ac	11.7%
4	72102-001 thru 004	8.250 ac	6.9%
5	71292-000	2.144 ac	1.8%

EXHIBIT "A-1"
Attached to Declaration of Pooling
dated effective July 1, 1998

ENRON Oil & Gas Company

Locator Map
Mello 1-10 Unit
SACRAMENTO COUNTY, CALIFORNIA

CALENDAR PAGE 00434
MINUTE PAGE 00847

Scale:	Map ID	Author	Date:
1" = 1000'	HV-000MELLO1-10	R.G. MELLOTT	9-17-98