

4. (Notice of Default - Centralia Oil Company, Huntington Beach Easement No. 297) Upon motion duly made and unanimously carried, the Commission granted the request of Centralia Oil Company for a deferment of any action to cancel Centralia Oil Company's Easement No. 297 which is now in default for unreasonable and unauthorized suspension of production and repair operations.

The deferment was granted subject to submission by Centralia Oil Company of a program for recompletion of their well. The Commission further determined that in the event the program submitted for recompletion of the well is acceptable to the technical staff, no further action will be taken to cancel the lease because of the existing default.

Upon motion duly made and unanimously carried, the Commission requested the Executive Officer to obtain a formal opinion from the Attorney General's office which will define the rights of easement holders as to plug backs, redrills, recompletions and repairs in the area described in Lease No. P.R.C. 91, H. R. Hamilton, et al. The opinion will further define the authority of the Commission to grant plug backs, redrills, recompletions and repair rights to easement grantees, in view of the Commission's award of a lease of the area in which such easement grantees' wells are located.

5. (Approval of Assignment - M.A.B. Oil Company, Huntington Beach Easement No. 288) Upon motion duly made and unanimously carried, the Commission approved the application of the M.A.B. Oil Company to assign their Easement No. 288 to the Eagle Oil and Refining Company, Incorporated.

The approval was granted and is contingent upon acceptance by the assigner of the following conditions:

- (a) The assignor is not relieved of any responsibilities, liabilities or obligations under the present easement agreement.
- (b) The assignee (Eagle Oil and Refining Company, Incorporated) shall file a \$2,000.00 corporate surety bond drawn on the State of California for faithful performance of all the obligations and covenants in the easement agreement.