

5. (Expiration of State Oil and Gas Lease 88 (303-21), Estate of Catharine Bell Cheney, et al., Elwood Oil Field, Santa Barbara County) The Commission was informed that on September 28, 1949, in accordance with the terms and conditions of State Oil and Gas Lease No. 88 (303-21) issued September 30, 1929, for an initial term of twenty years, and in the absence of an application from the lessee for renewal of said lease, the State of California, through the Division of State Lands, did elect the option of compliance by the lessee with Section 2 (n) of the lease. This election requires the lessee to remove all derricks, buildings, machinery, fixtures and such other things as may have been put thereon by the lessee, at no expense to the State. The notice to the lessee requiring the restoration of the premises was made pursuant to the individual concurrence of the State Lands Commission.

Upon motion duly made and unanimously carried, a resolution was adopted confirming the action taken by the State Lands Division on September 28, 1949, in the issuance to the Estate of Catharine Bell Cheney, et al., lessee under State Oil and Gas Lease No. 88 (303-21) Elwood Oil Field, of notice that the lessee comply with Section 2 (n) of said lease and remove all derricks, buildings, machinery, fixtures and such other things as may have been put thereon by the lessee, at no expense to the State.

6. (Extension of Oil and Gas Lease 89 (303-21), Bankline Oil Company - Elwood Field, Santa Barbara County - W.O. 572 - P.R.C. 421) The Commission was informed that application has been received from the Bankline Oil Company, lessee under State Oil and Gas Lease 89, in the Elwood Oil Field, Santa Barbara County, for renewal and extension of said lease for an additional period of ten years under such terms and conditions as the State may determine. It was proposed that the extension be issued in the form of a modification of the standard Public Resources Code lease approved by the Commission on September 15, 1949, for Lease 92. The proposed extension is to provide for a performance bond in the amount of \$65,000. and the following addition to Section 13 (a), "Provided that if said option last mentioned is at any time to be exercised by the State it shall give sixty days written notice to the lessee of its intention to exercise said option." The extension of lease has been reviewed as to form by the Office of the Attorney General.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to execute and issue to the Bankline Oil Company, a ten year extension of State Oil and Gas Lease 89, Elwood Field, Santa Barbara County, in the approved form with royalty rate to be 12 1/2% and lessee to file performance bond in the amount of \$65,000; and be subject to notice to the Department of Interior and the provisions, if any, of the stipulation entered into between the Attorney General of the United States and the Attorney General of California, dated July 26, 1947, as extended in 1948 and 1949.

7. (Extension of Oil and Gas Lease 90 (303-21), Honolulu Oil Corporation - Elwood Oil Field, Santa Barbara County - W.O. 583, P.R.C. 422) The Commission was informed that an application has been received from the Honolulu Oil Corporation for renewal and extension of Oil and Gas Lease No. 90, Elwood Oil Field for an additional period of ten years under such reasonable terms and conditions as the State may determine at the time of renewal. It was proposed that the extension of Lease 90 be issued in the form of a modification of the standard Public Resources Code lease approved by the Commission on September 15, 1949 for Lease 92. The proposed form of extension to provide for a performance bond of \$60,000. The extension of lease has been reviewed as to form by the Office of the Attorney General.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to execute and issue to the Honolulu Oil Corporation a ten year extension of State Oil and Gas Lease 90, Elwood Field, Santa Barbara County, in the approved form with royalty rate to be 12 1/2% and lessee to file performance bond in the amount of \$60,000; and be subject to notice to the Department of Interior and the provisions, if any, of the stipulation entered into between the Attorney General of the United States and the Attorney General of California, dated July 26, 1947 as extended in 1948 and 1949.

8. (Extension of Oil and Gas Lease 93 (303-21), Pacific Western Oil Corporation - Elwood Oil Field, Santa Barbara County - W.O. 588, P.R.C. 423) The Commission was informed that application has been received from the Pacific Western Oil Corporation, lessee of State Oil and Gas Lease No. 93, in the Elwood Oil Field, Santa Barbara County, for an extension for a period of ten years under such terms and conditions as the State may determine. It was proposed that extension of Lease 93 be issued in the form of a modification of the standard Public Resources Code lease approved by the Commission on September 15, 1949 for Lease 92. Pacific Western Oil Corporation has currently on deposit with the State Treasurer \$100,000 in United States Government securities as surety for the performance bond filed in connection with Lease 93 and it is therefore proposed that a new bond form be furnished and the collateral transferred and continued on deposit with the State Treasurer to cover operations under the extension. The extension of the lease has been reviewed as to form by the Office of the Attorney General.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to execute and issue to the Pacific Western Oil Corporation, a ten year extension of State Oil and Gas Lease 93, Elwood Field, Santa Barbara County, in the approved form with royalty rate to be 12 1/2% and lessee to file performance bond or its equivalent in U. S. Government securities in the amount of \$100,000; subject to notice to the Department of Interior and the provisions, if any, of the stipulation entered into between the Attorney General of the United States and the Attorney General of California, dated July 26, 1947, as extended in 1948 and 1949.

9. (Extension of Oil and Gas Lease No. 92 (303-21), Pacific Western Oil Corporation - Elwood Oil Field, Santa Barbara County - W.O. 529, P.R.C. 420) The Commission was informed that on September 15, 1949, (Minute page 1002, item 22) the Commission authorized the execution and issuance of a ten year extension of State Oil and Gas Lease 92, Elwood Oil Field, Santa Barbara County. Said extension provides (Section 14) that the lessee shall maintain a good and sufficient bond in favor of the State of California in the penal sum of \$175,000.00. Application has been received from the lessee, Pacific Western Oil Corporation, for approval of the deposit with the State of United States Government bonds in the principal amount of \$175,000.00 in lieu of a surety bond which would normally be authorized.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to accept from the Pacific Western Oil Corporation the performance bond executed by it and furnished in accordance with Lease P.R.C. 420, together with United States bonds in the principal amount of \$175,000.00 placed with the Commission for deposit with the Treasurer of the State of California as collateral under said bond. Such acceptance shall be subject to the following conditions:

1. No instructions relating to said bond shall be accepted by the State Treasurer except upon the authorization of the Executive Officer of the State Lands Commission and then only provided such authorization is accompanied by a certification and a resolution covered in the minutes of the State Lands Commission approving such instructions.