

Therefore, the lessee has requested that an extension of time be granted whereunder actual drilling operations will be initiated on Lease P.R.C. 309 prior to June 1, 1952.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO GRANT SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORP., AND MACOIL, LESSEES UNDER STATE OIL AND GAS LEASE P.R.C. 309, AN ADDITIONAL DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS UNDER THE SUBJECT LEASE FOR THE PERIOD APRIL 24, 1952, TO JUNE 1, 1952, SUBJECT TO CONCURRENCE WITH OR NONOBJECTION TO THE GRANT OF SUCH DEFERMENT BY THE U.S. OIL AND GAS SUPERVISOR, DEPARTMENT OF THE INTERIOR.

20. (REQUEST FOR DEFERMENT OF DRILLING AND OPERATING REQUIREMENTS, HONOLULU-SIGNAL-MACOIL, COAL OIL POINT AREA, SANTA BARBARA COUNTY - P.R.C. 308.) On May 24, 1951 (Minute Page 1368, Item 9), the Commission authorized the deferment of drilling and operating requirements under Oil and Gas Lease P.R.C. 308 for a period of one year from April 24, 1951, subject to concurrence with or nonobjection to the grant of such deferment by the U.S. Oil and Gas Supervisor, Department of the Interior, and further subject to the same conditions of performance as detailed in the preceding item for Lease P.R.C. 309. In conjunction with the extension of deferment requested for Lease P.R.C. 309 and in contemplation of the well to be drilled on said lease, the Signal Oil and Gas Company, upon behalf of the lessees, has requested further deferment of the drilling and operating requirements under Lease P.R.C. 308 to permit analyses of the data developed from the drilling of the new proposed well under Lease P.R.C. 309, and to establish whether any further drilling is justified under Lease P.R.C. 308.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE EXECUTIVE OFFICER TO GRANT SIGNAL OIL AND GAS COMPANY, HONOLULU OIL CORP., AND MACOIL, LESSEES UNDER STATE OIL AND GAS LEASE P.R.C. 308, A DEFERMENT OF THE DRILLING AND OPERATING REQUIREMENTS FOR THE PERIOD APRIL 24, 1952, TO DECEMBER 1, 1952, SUBJECT TO CONCURRENCE WITH OR NONOBJECTION TO THE GRANT OF SUCH DEFERMENT BY THE U.S. OIL AND GAS SUPERVISOR, DEPARTMENT OF THE INTERIOR.

21. (PROPOSED GAS LEASE, TIDE AND SUBMERGED LANDS IN BEDS OF NAVIGABLE RIVERS, SACRAMENTO AND SAN JOAQUIN COUNTIES, PARCEL "A" - W.O. 478.) On February 6, 1951 (Minute Page 1270, Item 9), the Commission authorized the publication of a Notice of Intention, pursuant to the provisions of the Public Resources Code, for a lease for the production of gas from State land contained in the beds of navigable rivers and sloughs in the River Island Gas Field area of Sacramento and San Joaquin Counties. Two bids have been received pursuant to such notice. The bidders have qualified on all requirements specified by the call for bids. Mr. Joe Lopes of Walnut Grove, California, offered a royalty bid factor of 0.5215; and the Brazos Oil and Gas Company of Houston, Texas, offered a royalty bid factor of 1.90.

Mr. Anthony Kennedy, Attorney, appeared on behalf of his client, Mr. Joe Lopes, to protest the awarding of the bid to Brazos Oil and Gas Company, claiming that at the time the bids were originally submitted and opened there was a misunderstanding of the amount bid by his client because of a