

MINUTE ITEM

15. ASSIGNMENT OF PARTIAL INTEREST IN OIL AND GAS LEASE P.R.C. 2207.1, SANTA BARBARA COUNTY; CONDON-CUNNINGHAM, INC., TO CONDON-CUNNINGHAM EQUIPMENT CO., A PARTNERSHIP, COMPOSED OF CHESTER W. CUNNINGHAM, LOIS K. CUNNINGHAM, AND JOHN C. CUNNINGHAM - W.O. 5299.

After consideration of Calendar Item 10 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO APPROVE THE ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2207.1 FROM CONDON-CUNNINGHAM, INC., TO CONDON-CUNNINGHAM EQUIPMENT CO., A PARTNERSHIP, COMPOSED OF CHESTER W. CUNNINGHAM, LOIS K. CUNNINGHAM, AND JOHN C. CUNNINGHAM, WITH THE ASSIGNEES TO BE BOUND BY THE TERMS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.

Attachment

Calendar Item 10 (1 page)
(Exhibit "A" attached to Minute Item 12
lists all bidders)

CALENDAR ITEM

10.

ASSIGNMENT OF PARTIAL INTEREST IN OIL AND GAS LEASE P.R.C. 2207.1, SANTA BARBARA COUNTY; CONDON-CUNNINGHAM, INC., TO CONDON-CUNNINGHAM EQUIPMENT CO., A PARTNERSHIP, COMPOSED OF CHESTER W. CUNNINGHAM, LOIS K. CUNNINGHAM, AND JOHN C. CUNNINGHAM - W.O. 5299.

On July 25, 1958, Oil and Gas Lease P.R.C. 2207.1 was issued to Phillips Petroleum Company, Edwin W. Pauley, and The Tecolote Company, et al., joint bidders, pursuant to competitive public bidding in accordance with Division 6 of the Public Resources Code. (Exhibit "A" attached lists all bidders.)

On October 14, 1958, the Commission approved the assignment of a partial interest in the subject lease from The Tecolote Company to Condon-Cunningham, Inc. (Minute Item 19, page 4281).

An application has been received from Condon-Cunningham, Inc., for approval of the assignment of their interest in Lease P.R.C. 2207.1 to Condon-Cunningham Equipment Co., a partnership, composed of Chester W. Cunningham, Lois K. Cunningham, and John C. Cunningham.

Section 4 of the lease provides for the assignment as to either a divided or an undivided interest in the lease, with the approval of the State, to any person who at the time of the proposed assignment possesses the qualifications required by the Public Resources Code. Condon-Cunningham Equipment Co. have submitted evidence showing they possess the qualifications necessary to satisfy the statutory requirements. The bond obligations required by the lease have been met by the assignees. A form of assignment has been executed by Condon-Cunningham, Inc., and by Condon-Cunningham Equipment Co., assignee. The \$5 statutory filing fee has been paid by the applicant.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO APPROVE THE ASSIGNMENT OF A PARTIAL INTEREST IN STATE OIL AND GAS LEASE P.R.C. 2207.1 FROM CONDON-CUNNINGHAM, INC., TO CONDON-CUNNINGHAM EQUIPMENT CO., A PARTNERSHIP, COMPOSED OF CHESTER W. CUNNINGHAM, LOIS K. CUNNINGHAM, AND JOHN C. CUNNINGHAM, WITH THE ASSIGNEES TO BE BOUND BY THE TERMS OF THE LEASE TO THE SAME EXTENT AS THE ORIGINAL LESSEE.